



THE BANK OF NOVA SCOTIA
(a Canadian chartered Bank)

U.S.\$20,000,000,000

Singapore Medium Term Note Programme

Due from 1 month to 99 years from the date of original issue

Under this U.S.\$20,000,000,000 Singapore Medium Term Note Programme (the “**Programme**”), subject to compliance with all relevant laws, regulations and directives, The Bank of Nova Scotia (the “**Issuer**”) may from time to time under the Programme issue (i) unsubordinated and unsecured notes of the Issuer which constitute deposit liabilities of the Issuer pursuant to the *Bank Act* (Canada) which will rank *pari passu* with all present or future deposit liabilities of the Issuer (except as otherwise prescribed by law and subject to the exercise of bank resolution powers) and without preference amongst themselves (the “**Senior Notes**”) or (ii) non-viability contingent capital subordinated notes which constitute subordinated indebtedness of the Issuer for the purposes of the *Bank Act* (Canada) (the “**Subordinated Notes**”) and together with the Senior Notes, the “**Notes**”). The Notes may include Fixed Rate Notes, Fixed Rate Resettable Notes, Floating Rate Notes, Range Accrual Notes, Zero Coupon Notes, Partly Paid Notes, Variable Rate Notes, Inverse Floating Rate Notes, Reference Item Linked Notes, Dual Currency Notes, Notes issued at a substantial discount or premium, Notes not in physical form and notes relating to a specified index or a basket of indices (“**Index Linked Notes**”), a specified equity or a basket of equities (“**Equity Linked Notes**”), a specified commodity or commodity index or a basket of commodities and/or commodity indices (“**Commodity Linked Notes**”), a specified fund or basket of funds (“**Fund Linked Notes**”) or the credit of a specified entity or entities (“**Credit Linked Notes**”), and/or denominated in a specified currency but payable in another currency (“**Synthetic Currency Notes**”) or any combination of the foregoing. The aggregate principal amount of Notes outstanding issued under the Programme will not exceed U.S.\$20,000,000,000 (or the equivalent in other currencies determined by the Calculation Agent (as defined below) if any, at the time of each issuance of such Notes) or such other amount as may be authorised from time to time. Notes may be offered directly to persons other than Dealers. This Prospectus describing the Programme supersedes all prospectuses describing the Programme dated prior to the date hereof. Any Notes to be issued on or after the date hereof under the Programme, which has been further amended as at the date hereof as described herein, are issued subject to the terms and conditions set out herein. This does not affect any Notes issued prior to the date hereof.

See the section entitled “Risk Factors” herein for a discussion of certain risks that should be considered in connection with an investment in the Notes.

Arranger for the Programme

The Bank of Nova Scotia, London Branch

Dealers for the Programme

The Bank of Nova Scotia, London Branch
Scotiabank (Ireland) Designated Activity Company

Application has been made to the Singapore Exchange Securities Trading Limited (the “SGX-ST”) for the listing of, and quotation for, any Notes that may be issued pursuant to the Programme which are agreed at or prior to the time of issue thereof to be so listed on the SGX-ST. In addition, at the relevant time of issue of the Notes which are agreed at or prior to the time of issue to be so listed on the SGX-ST, a separate application will be made to the SGX-ST for the listing of, and quotation for, such Notes on the SGX-ST. Such permission will be granted when the Notes have been admitted for listing on the SGX-ST. There is no guarantee that application to the SGX-ST for the listing of Notes will be given. The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions or reports contained in this Prospectus. Admission to the official list of the SGX-ST and quotation of the Notes on the SGX-ST is not to be taken as an indication of the merits of the Notes, the Issuer, its subsidiaries, its associated companies (if any), the Programme or the Notes.

Each issue of Notes will be issued on the terms set out herein which are relevant to such Notes under “Terms and Conditions of the Notes” on pages 77 to 143. The Issuer may issue Notes that are Index Linked Notes, Equity Linked Notes, Commodity Linked Notes, Fund Linked Notes, Credit Linked Notes, Synthetic Currency Notes or any combination of the foregoing, which will be issued on the additional Terms and Conditions on pages 227 to 353. The Issuer may also issue any other type of note under the Programme, which terms and conditions may be included in the applicable Final Terms.

Under the Bail-in Regime (as defined herein), in certain circumstances, amending or extending the term to maturity of Senior Notes which would otherwise not be Bail-inable Notes (as defined below) because they were issued before September 23, 2018, would mean those Senior Notes could be subject to a Bail-in Conversion. However, the Issuer does not intend to amend or re-open any Series of Senior Notes where such re-opening could have the effect of making the relevant Senior Notes subject to Bail-in Conversion.

Senior Notes that are Bail-inable Notes are subject to conversion in whole or in part– by means of a transaction or series of transactions and in one or more steps – into common shares of the Issuer or any of its affiliates under subsection 39.2(2.3) of the *Canada Deposit Insurance Corporation Act* (the “CDIC Act”) and to variation or extinguishment in consequence, and subject to the application of the laws of the Province of Ontario and the federal laws of Canada applicable therein in respect of the operation of the CDIC Act with respect to the Bail-inable Notes. See “Risk Factors – Risks Relating to the Notes – Risks applicable to Bail-inable Notes” and Condition 3(b) of the “Terms and Conditions of the Notes”. The applicable Final Terms will indicate whether the Senior Notes are Bail-inable Notes. Subordinated Notes are not Bail-inable Notes. See also “Risk Factors – Notes may be subject to write-off, write down or conversion under the resolution powers of authorities outside of Canada”.

Subject to the more detailed description set out in the Terms and Conditions of the Notes herein, the Subordinated Notes will automatically and immediately convert (“NVCC Automatic Conversion”) into common shares of the Issuer (“Common Shares”) upon the occurrence of a Non-Viability Trigger Event (as defined in Condition 10(a)). See discussion under risk factors under “Risk Factors – Risks Relating to the Notes – Risks related to Subordinated Notes”.

Notice of the aggregate principal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and any other terms and conditions not contained herein which are applicable to each Tranche (as defined in “Issue of Notes” below) of Notes, will be set forth in the applicable Final Terms.

The rating of certain Series of Notes to be issued under the Programme, if any, may be specified in the applicable Final Terms. Please also refer to “Credit ratings might not reflect all risks” in the “Risk Factors” section of this Prospectus.

The credit ratings and outlooks of the Issuer and the Programme referred to on pages 75 to 76 of this Prospectus are assigned by Moody’s Canada Inc. (“Moody’s”), S&P Global Ratings, acting through S&P Global Ratings Canada, a business unit of S&P Global Canada Corp. (“S&P”), Fitch Ratings, Inc. (“Fitch”) and DBRS Limited (“DBRS”). Each of Moody’s, S&P, Fitch and DBRS has also provided issuer ratings for the Issuer as specified on page 14 of the Issuer’s 2022 Annual Information Form (as defined in the section entitled “Documents Incorporated by Reference”) incorporated by reference in this Prospectus and as set out in the “The Bank of Nova Scotia” section of this Prospectus.

A Tranche (as defined herein) of Notes issued under the Programme may be rated or unrated. The rating of certain Series of Notes to be issued under the Programme may be specified in the applicable Final Terms. Where a Tranche of Notes is rated, such rating will not necessarily be the same as the ratings assigned to the Programme, the Issuer or to Notes already issued.

The rating of the Notes is not a recommendation to purchase, hold or sell the Notes, and may be subject to suspension, reduction, revision or withdrawal at any time by the assigning rating agencies. There is no assurance that the rating of the Notes will remain for any given period of time or that the rating will not be lowered or withdrawn by the rating agencies if in their judgment circumstances so warrant. Investors are cautioned to evaluate each rating independently of any other rating. Investors may suffer losses if the credit rating assigned to the Notes does not reflect the then creditworthiness of such Notes.

Please also refer to “*Credit ratings might not reflect all risks and are subject to change*” in the “*Risk Factors*” section of this Prospectus.

Copies of the Final Terms for each series (“**Series**”) of Notes to be listed on the SGX-ST, if applicable, will be published on the SGX-ST’s internet site <http://www.sgx.com>. The Final Terms issued for each Series will contain details of the aggregate nominal amount of the relevant Notes, interest (if any) payable in respect of the relevant Notes, the issue price of the relevant Notes, and any other terms and conditions not contained herein which are applicable to the Series.

This Prospectus is to be read in conjunction with (i) any supplementary prospectus (a “**Supplementary Prospectus**”) to this prospectus and (ii) with all documents deemed to be incorporated herein or therein by reference (see “*Documents Incorporated by Reference*”) and, in relation to any Tranche or Series of Notes, should be read and constituted together with any applicable Final Terms. Any reference herein to “**Prospectus**” means this document together with the documents incorporated by reference herein and any such Supplementary Prospectus and the documents incorporated by reference therein.

The Issuer accepts responsibility for the information contained in this Prospectus and the Final Terms for each Tranche of Notes issued by such Issuer under the Programme. To the best of the knowledge of the Issuer, the information contained in this Prospectus is in accordance with the facts and this Prospectus makes no omission likely to affect its import.

Subject as provided in the applicable Final Terms, the only persons authorised to use this Prospectus in connection with an offer of Notes are the persons named in the applicable Final Terms as the relevant Dealers or the Managers, and the persons named in or identifiable following the applicable Final Terms as the Financial Intermediaries, as the case may be.

The applicable Final Terms will (if applicable) specify the nature of the responsibility taken by the Issuer for the information relating to any Reference Item (as defined herein) or basis of reference to which relevant Notes relate and which is contained in such Final Terms. No person is or has been authorised by the Issuer to give any information or to make any representation not contained in, or not consistent with, this Prospectus, any Supplementary Prospectus, any information incorporated by reference herein or any other information supplied in connection with the Programme or the Notes and, in respect of each Tranche of Notes, the applicable Final Terms, in connection with the issue or sale of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or any of the Dealers (as defined in “*Plan of Distribution*”). Neither the delivery of this Prospectus or any Final Terms nor the offering, sale or delivery of any Notes made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer since the date hereof or the date upon which this document has been most recently supplemented or that there has been no adverse change in the financial position of the Issuer since the date hereof or the date upon which this document has been most recently supplemented or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same. The Dealers expressly do not undertake to any investor or prospective investor or purchaser to review the financial conditions or affairs of the Issuer during the life of the Programme or to advise any investor in the Notes of any information coming to their attention.

Each Tranche of Bearer Notes (as defined in “*Overview of the Programme — Form of Notes*” below) will initially be represented by a temporary global note (each a “**Temporary Bearer Global Note**”) or a permanent global note (each a “**Permanent Bearer Global Note**” and together with a Temporary Bearer Global Note, each a “**Bearer**”

Global Note”) which will be delivered on or prior to the issue date thereof to a common depository on behalf of Euroclear and/or Clearstream, Luxembourg or a depository on behalf of any other agreed clearing system as further described in the “Form of Notes” herein. Interests in Temporary Bearer Global Notes will be exchangeable for interests in Permanent Bearer Global Notes or, if so stated in the applicable Final Terms, for definitive Bearer Notes after the date falling not earlier than 40 days after the issue date upon certification as to non-U.S. beneficial ownership or for definitive Registered Notes (as defined in “Overview of the Programme — Form of Notes” below) at any time after the issue date. Interests in Permanent Bearer Global Notes will be exchangeable for definitive Bearer Notes or definitive Registered Notes as described under “Summary of Provisions Relating to the Notes while in Global Form”.

Registered Notes will be represented by Note certificates (each a “**Certificate**”), one Certificate being issued in respect of each Noteholder’s entire holding of Registered Notes of one Series (as defined in “*Issue of Notes*” below). Registered Notes which are held in Euroclear and/or Clearstream, Luxembourg or such other clearing system as may be agreed to between the Issuer, the relevant Dealer, the Fiscal Agent and the Registrar (if applicable), will be registered in the name of the nominees for Euroclear and/or Clearstream, Luxembourg (or such other clearing system as may be agreed to between the Issuer, the relevant Dealer, the Fiscal Agent and the Registrar (if applicable)), or a common nominee for both, and the relative Certificate(s) will be delivered to the appropriate depository or, as the case may be, a common depository. References in this Prospectus to “**Global Certificates**” are to Certificates issued in respect of Registered Notes which are registered in the name of nominees or a common nominee for Euroclear and/or Clearstream, Luxembourg (or such other clearing system as may be agreed to between the Issuer, the relevant Dealer, the Fiscal Agent and the Registrar (if applicable)).

This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Prospectus and the offering or sale of the Notes in certain jurisdictions may be restricted by law. None of the Issuer, the Arranger and the Dealers represents that this Prospectus may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, unless specifically indicated to the contrary in the applicable Final Terms, no action has been taken by the Issuer, the Arranger or the Dealers which is intended to permit a public offering of any Notes or distribution of this Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and none of this Prospectus, any Supplementary Prospectus, if any, any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Prospectus or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Prospectus and the offering and sale of Notes. In particular, there are restrictions on the distribution of this Prospectus and the offer or sale of Notes in the United States, Canada, the European Economic Area (the “**EEA**”) (including France and Italy), the United Kingdom (the “**UK**”), Hong Kong, Japan, Singapore and Switzerland, see “*Plan of Distribution*”. The Notes and, in certain cases, the Entitlement (as defined herein) 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 include Notes in bearer form that are subject to U.S. tax law requirements. The Notes are only being offered and sold outside the United States to persons that are not U.S. persons within the meaning of and in reliance on Regulation S under the Securities Act (“**Regulation S**”). The Notes may not be offered, sold or delivered, directly or indirectly, within the United States, its territories or possessions or to, or for the account or benefit of U.S. persons except in accordance with Rule 903 or 904 of Regulation S under the Securities Act (unless an exemption from the registration requirements of the Securities Act is available) and in accordance with all applicable securities laws of any state of the United States and any other jurisdiction. The Notes may not be offered, sold or delivered, directly or indirectly, in Canada, or to or for the benefit of, residents of Canada in contravention of the securities laws of Canada or any province or territory thereof. For a description of certain restrictions on offers, sales and deliveries of Notes and on distribution of this Prospectus, see “*Plan of Distribution*”.

MIFID II PRODUCT GOVERNANCE / TARGET MARKET

The Final Terms in respect of any Notes may include a legend entitled “**MIFID II PRODUCT GOVERNANCE / TARGET MARKET**” which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the target market assessment; however, a distributor subject to Directive 2014/65/EU (as amended, “**MiFID II**”) is responsible

for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

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

UK MIFIR PRODUCT GOVERNANCE / TARGET MARKET

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

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

PROHIBITION OF SALES TO EEA RETAIL INVESTORS

If the applicable Final Terms in respect of any Notes includes a legend entitled “PROHIBITION OF SALES TO EEA RETAIL INVESTORS”, the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; (ii) a customer within the meaning of Directive (EU) 2016/97, as amended, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended). Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the “PRIIPs Regulation”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

PROHIBITION OF SALES TO UK RETAIL INVESTORS

If the applicable Final Terms in respect of any Notes, includes a legend entitled “PROHIBITION OF SALES TO UK RETAIL INVESTORS”, the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the UK. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (as amended, the “EUWA”); or (ii) a customer within the meaning of the provisions of the UK Financial Services and Markets Act 2000 (as amended, the “FSMA”) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97 (as amended), where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 (as amended) as it forms part of UK domestic law by virtue of the EUWA. Consequently, no key information document required by the PRIIPs Regulation as it forms part of UK domestic law by virtue of the EUWA (the “UK PRIIPs Regulation”) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore

offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

NOTIFICATION UNDER SECTION 309B(1)(C) OF THE SECURITIES AND FUTURES ACT 2001 OF SINGAPORE (AS MODIFIED OR AMENDED FROM TIME TO TIME, THE “SFA”) – Unless otherwise stated in the Final Terms in respect of any Notes, all Notes issued or to be issued under the Programme shall be prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

Notes issued by the Issuer do not evidence or constitute deposits that are insured under the *CDIC Act* or any other deposit insurance regime.

None of this Prospectus, any Supplementary Prospectus, any information incorporated by reference herein or therein and, in respect to each Tranche of Notes, the applicable Final Terms constitutes an offer of, or an invitation by or on behalf of the Issuer or the Dealers to subscribe for, or purchase, any Notes or are intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by the Issuer or the Dealers that any recipient of this Prospectus, any Supplementary Prospectus or any Final Terms should subscribe for or purchase any Note. Each recipient of this Prospectus, any Supplementary Prospectus or any Final Terms shall be taken to have made its own assessment of the relevance of any information and to have made its own independent investigation and appraisal of the condition (financial or otherwise) of, and its overall appraisal of the creditworthiness of, the Issuer and the terms of the relevant Notes (including the merits and risks involved) as it deems necessary.

The Dealers have not independently verified the information contained herein. None of the Dealers makes any representation, warranty, or undertaking, express or implied, or accepts any responsibility or liability, with respect to the accuracy or completeness of any of the information in this Prospectus or incorporated by reference herein, or any responsibility for any act or omission of the Issuer or any other person in connection with the issue and offering of the Notes. Potential investors cannot rely, and are not entitled to rely, on the Dealers in connection with their investigation of the accuracy of any information or their decision whether to purchase or invest in the Notes. None of the Dealers undertakes to advise any investor or potential investor in or purchaser of the Notes of any information coming to the attention of any of the Dealers. The Dealers accept no liability in relation to any information contained herein or incorporated by reference herein or any other information provided by the Issuer in connection with the Notes, except for any liability arising from or in respect of any applicable law or regulation.

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

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

- (i) has sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Prospectus or any applicable supplement or any applicable Final Terms;
- (ii) has access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes, how Subordinated Notes or Bail-inable Notes, as the case may be, will perform under changing conditions, the resulting effects of the likelihood of an NVCC Automatic Conversion or Bail-in Conversion, the value of the Subordinated Notes or Bail-inable Notes, and the impact the Notes will have on the potential investor’s overall investment portfolio;

(iii) has sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including (a) Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the currency in which the potential investor's financial activities are denominated principally; (b) Subordinated Notes which are loss-absorption financial instruments which will be converted into Common Shares upon the occurrence of a Non-Viability Trigger Event (as defined in Condition 10(a); or (c) Bail-inable Notes which are loss-absorption financial instruments which may be converted (in whole or in part) into Common Shares of the Issuer or an affiliate upon a Bail-in Conversion (as defined in Condition 3(b));

(iv) understands thoroughly the terms of the Notes and be familiar with the behaviour of any relevant indices and financial markets; and

(v) is able to evaluate possible scenarios for economic, interest rate and other factors that may affect the potential investor's investment and its ability to bear the applicable risks.

In addition an investment in Index Linked Notes, Equity Linked Notes, Fund Linked Notes, Commodity Linked Notes, Credit Linked Notes, Synthetic Currency Notes (each as defined below), other Reference Item Linked Notes (as defined below) or other structured or complex Notes 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 "*Risks related to the structure of a particular issue of Notes*" set out below.

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

Holders of Subordinated Notes shall be responsible for all taxes arising upon an NVCC Automatic Conversion

The Terms and Conditions provide that a holder of Subordinated Notes shall be responsible for paying any taxes and capital, stamp, issue, registration and transfer taxes and duties arising to such Noteholder on an NVCC Automatic Conversion. Any such taxes and capital, stamp, issue, registration and transfer taxes and duties arising on an NVCC Automatic Conversion may result in out of pocket costs to the Noteholders and otherwise reduce the return on an investment in Subordinated Notes.

Legal investment considerations may restrict certain investments

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

In this Prospectus, unless otherwise specified or the context otherwise requires, references to "**U.S.\$**" and to "**U.S. dollars**" are to the currency of the United States of America, to "**\$**", "**Canadian Dollars**" and "**dollars**" are to the currency of Canada, to "**euro**" and "**€**" are to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended, to "**Japanese yen**", "**yen**" and "**¥**" are to the currency of Japan, to "**SGD**" are to Singapore dollars and to "**Sterling**" and "**£**" are to the currency of the UK.

In this Prospectus, unless the contrary intention appears, a reference to a law or regulation or a provision of a law or regulation is a reference, in each case, to that law or regulation or provision thereof as extended, amended or re-enacted.

Certain figures and percentages included in this Prospectus have been subject to rounding adjustments; accordingly, figures shown in the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

In this Prospectus, references to the “EEA” are to the Member States of the European Union together with Iceland, Norway and Liechtenstein.

Caution regarding forward-looking statements

From time to time, the Issuer’s public communications include oral or written forward-looking statements. Statements of this type are included in this Prospectus and in the documents incorporated by reference in this Prospectus, and may be included in other filings with Canadian securities regulators or the U.S. Securities and Exchange Commission, or in other communications. In addition, representatives of the Issuer may include forward-looking statements orally to analysts, investors, the media and others. All such statements by the Issuer are made pursuant to the “safe harbour” provisions of the U.S. Private Securities Litigation Reform Act of 1995 and any applicable Canadian securities legislation. The forward-looking statements in this Prospectus and the documents incorporated by reference include, but are not limited to, statements in the Management’s Discussion and Analysis in the Issuer’s 2022 Annual Report under the heading “Outlook” and in other statements regarding the Issuer’s objectives, strategies to achieve those objectives, the regulatory environment in which the Issuer operates, anticipated financial results, and the outlook for the Issuer’s businesses and for the Canadian, U.S. and global economies. Such statements are typically identified by words or phrases such as “believe,” “expect,” “foresee,” “forecast,” “anticipate,” “intend,” “estimate,” “plan,” “goal,” “target,” “project,” “commit,” “objective,” and similar expressions of future or conditional verbs, such as “will,” “may,” “should,” “would,” “might,” “can” and “could” and positive and negative variations thereof.

By their very nature, forward-looking statements require the Issuer to make assumptions and are subject to inherent risks and uncertainties, which give rise to the possibility that the Issuer’s predictions, forecasts, projections, expectations or conclusions will not prove to be accurate, that the Issuer’s assumptions may not be correct and that the Issuer’s financial performance objectives, vision and strategic goals will not be achieved.

The Issuer cautions readers not to place undue reliance on these statements as a number of risk factors, many of which are beyond the Issuer’s control and effects of which can be difficult to predict, could cause the Issuer’s actual results to differ materially from the expectations, targets, estimates or intentions expressed in such forward-looking statements.

The future outcomes that relate to forward-looking statements may be influenced by many factors, including but not limited to: general economic and market conditions in the countries in which the Issuer operates; changes in currency and interest rates; increased funding costs and market volatility due to market illiquidity and competition for funding; the failure of third parties to comply with their obligations to the Issuer and its affiliates; changes in monetary, fiscal, or economic policy and tax legislation and interpretation; changes in laws and regulations or in supervisory expectations or requirements, including capital, interest rate and liquidity requirements and guidance, and the effect of such changes on funding costs; changes to the Issuer’s credit ratings; the possible effects on the Issuer’s business of war or terrorist actions and unforeseen consequences arising from such actions; operational and infrastructure risks; reputational risks; the accuracy and completeness of information the Issuer receives on customers and counterparties; the timely development and introduction of new products and services, and the extent to which products or services previously sold by the Issuer require the Issuer to incur liabilities or absorb losses not contemplated at their origination; the Issuer’s ability to execute its strategic plans, including the successful completion of acquisitions and dispositions, including obtaining regulatory approvals; critical accounting estimates and the effect of changes to accounting standards, rules and interpretations on these estimates; global capital markets activity; the Issuer’s ability to attract, develop and retain key executives; the evolution of various types of fraud or other criminal behaviour to which the Issuer is exposed; disruptions in or attacks (including cyber-attacks) on the Issuer’s information technology, internet, network access, or other voice or data communications systems or services; increased competition in the geographic and in business areas in which the Issuer operates, including through internet and mobile banking and non-traditional competitors; exposure related to significant litigation and regulatory matters; climate change and other environmental and social risks, including sustainability that may arise, including from the Issuer’s business activities; the occurrence of natural and unnatural catastrophic events and claims resulting from such events; inflationary pressures; Canadian housing and household indebtedness; the emergence of widespread health emergencies or pandemics, including the magnitude and duration of the COVID-19 pandemic and its impact on the global economy, financial market conditions and the Issuer’s business, results of operations, financial condition and prospects; and the Issuer’s anticipation of and success in managing the risks implied by the foregoing. A substantial amount of the Issuer’s business involves making loans or otherwise committing resources to specific companies, industries or countries. Unforeseen events affecting such borrowers, industries or countries could have a material adverse effect on the Issuer’s financial results, businesses, financial condition or liquidity. These and other factors may cause the Issuer’s actual

performance to differ materially from that contemplated by forward-looking statements. The Issuer cautions that the preceding list is not exhaustive of all possible risk factors and other factors could also adversely affect the Issuer's results, for more information, please see the "Risk Management" section of the Issuer's 2022 Annual Report which document is incorporated by reference herein, as may be updated by quarterly reports.

Material economic assumptions underlying the forward-looking statements contained in this Prospectus and in the documents incorporated by reference herein are set out in the 2022 Annual Report under the heading "Outlook", which document is incorporated by reference herein, as may be updated by quarterly reports to the extent incorporated by reference herein. The "Outlook" and "2023 Priorities" sections are based on the Issuer's views and the actual outcome is uncertain. Readers should consider the above-noted factors when reviewing these sections. When relying on forward-looking statements to make decisions with respect to the Issuer and its securities, investors and others should carefully consider the preceding factors, other uncertainties and potential events.

The forward-looking statements contained in this document represent the views of management only as of the date hereof and are presented for the purpose of assisting the Issuer's shareholders and analysts in understanding the Issuer's financial position, objectives and priorities, and anticipated financial performance as at and for the periods ended on the dates presented, and may not be appropriate for other purposes. Except as required by law, the Issuer or any Dealer or any other person does not undertake to update any forward-looking statements, whether written or oral, that may be made from time to time by or on its behalf.

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OVERVIEW OF THE PROGRAMME

THE FOLLOWING OVERVIEW DOES NOT PURPORT TO BE COMPLETE AND IS TAKEN FROM, AND IS QUALIFIED IN ITS ENTIRETY BY, THE REMAINDER OF THIS PROSPECTUS AND, IN RELATION TO THE TERMS AND CONDITIONS OF ANY PARTICULAR SERIES OF NOTES, THE APPLICABLE FINAL TERMS. THE ISSUER AND ANY RELEVANT DEALER MAY AGREE THAT NOTES SHALL BE ISSUED IN A FORM OTHER THAN THAT CONTEMPLATED IN THE TERMS AND CONDITIONS, IN WHICH EVENT, IF APPROPRIATE, A SUPPLEMENT TO THE PROSPECTUS OR A NEW PROSPECTUS WILL BE PUBLISHED.

Words and expressions defined in the “Terms and Conditions of the Notes” below shall have the same meanings in this summary.

Issuer:	The Bank of Nova Scotia (the “ Issuer ”)
Issuer Legal Entity Identifier (LEI):	L3I9ZG2KFGXZ61BMYR72
Description:	Singapore Medium Term Note Programme (the “ Programme ”)
Arranger:	The Bank of Nova Scotia, London Branch
Dealers:	The Bank of Nova Scotia, London Branch Scotiabank (Ireland) Designated Activity Company
Fiscal Agent, Principal Paying Agent and Transfer Agent:	Citibank, N.A., London Branch
Registrar and Paying Agent:	Citibank Europe plc
Calculation Agent:	The Bank of Nova Scotia or, in respect of a Series of Notes, the entity identified as the Calculation Agent for such Series of Notes in the applicable Final Terms.
Size:	Up to U.S.\$20,000,000,000 (or its equivalent in other currencies at the date of issue) aggregate principal amount of Notes outstanding at any one time.
Risk Factors:	There are certain risks related to any issue of Notes under the programme which investors should ensure they fully understand. A description of the principal risks is set out under “ <i>Risk Factors</i> ” starting on page 12 of this Prospectus.
Specified Currencies:	As agreed by the Issuer and the relevant Dealers.
Maturities:	Senior Notes may be issued with any maturity between one month and 99 years. Unless otherwise permitted by then current laws, regulations and directives, Subordinated Notes will have a maturity of not less than five (5) years and a maximum of 99 years.
Specified Denomination:	As specified in the applicable Final Terms, the minimum denomination of each Note will in each case comply with all applicable legal, regulatory and central bank requirements, save that the minimum denomination of each Note traded on the SGX-ST and of each Subordinated Note will be SGD200,000 (or, if the Notes are denominated in a currency other than Singapore dollars, the equivalent amount in such currency).

Method of Issue:	Syndicated or non-syndicated basis. Notes issued by the Issuer will be issued in one or more Series. Notes may be issued in Tranches on a continuous basis with no minimum issue size. Further Notes may be issued as part of an existing Series.
Form of Notes:	Notes may be issued in bearer form only (“ Bearer Notes ”), in bearer form exchangeable for Registered Notes (“ Exchangeable Bearer Notes ”) or in registered form only (“ Registered Notes ”). See “ <i>Form of Notes</i> ” herein.
Issue Price:	Notes may be issued at their principal amount or at a discount or premium to their principal amount. If so specified in the applicable Final Terms, Partly Paid Notes may be issued, the Issue Price of which will be payable in two or more instalments.
Terms of Notes:	<p>Notes may bear interest at a fixed or floating rate or may not bear interest as specified in the applicable Final Terms.</p> <p>Senior Notes may: (i) bear interest and/or provide that the redemption amount is calculated by reference to one or more specified underlying rates, or assets or bases of reference such as indices (including equity or commodity), equities, fund shares or units, currencies, commodities or the credit of one or more underlying entities, with the exception of shares or share equivalents of the Issuer or any affiliate (as defined in the <i>Bank Act (Canada)</i>) of the Issuer (each such underlying asset or basis of reference, a “Reference Item” and any Reference Item linked Notes, “Reference Item Linked Notes”); (ii) be redeemed by physical delivery (“Physical Delivery Notes”) of specified asset(s); (iii) reference any combination of the foregoing; and/or (iv) have such other terms and conditions as specified in the applicable Final Terms.</p> <p>The Final Terms will indicate either that the relevant Notes may not be redeemed prior to their stated maturity (other than in specified instalments, (if applicable), for taxation reasons, following an Event of Default and acceleration of the Notes, (if applicable) following an Additional Disruption Event or in the case of Subordinated Notes only, following a Regulatory Event), or that such Notes will be redeemable at the option of the Issuer and/or the Noteholders.</p> <p>If specified in the applicable Final Terms, the Issuer may have the right to vary the means of settlement.</p>
Physical Delivery Notes:	In order to receive the relevant asset(s), a Noteholder must deliver an Asset Transfer Notice on or prior to a specified cut-off time and pay all taxes, duties and/or expenses arising from delivery. For certain Reference Item Linked Notes, if certain disruption events occur on settlement, the relevant settlement date may be postponed and in certain circumstances the Issuer will be entitled to make payment of a cash amount in lieu of physical delivery.
Fixed Interest Rate Notes:	Fixed interest will be payable in arrear on the date or dates in each year as specified in the applicable Final Terms.
Fixed Rate Resettable Notes:	Fixed Rate Resettable Notes will, in respect of an initial period, bear interest at the initial fixed rate of interest specified in the applicable Final Terms. Thereafter, the fixed rate of interest will be reset on one or more date(s) specified in the applicable Final Terms by reference to a Mid-Swap Rate, a Benchmark Gilt Rate, a Reference Bond Rate or a CMT Rate and for a period equal to the reset period, as adjusted for any applicable margin, in each case as may be specified in the applicable Final Terms. Interest will be payable in arrear on the date or dates in each year specified in the relevant Final Terms.

Floating Rate Notes:

Floating Rate Notes will bear interest set separately for each Series by reference to any of (i) the benchmark rate, (ii) the ISDA Floating Rate Option, (iii) the CMS reference rate or (iv) the spread calculated in respect of any two such rates, in each case, as specified in the applicable Final Terms, as adjusted for any applicable margin or multiplier. Interest periods will be specified in the applicable Final Terms.

Range Accrual Notes:

Range Accrual Notes will pay interest in respect of each Interest Period equal to the product of (i) either (a) a specified fixed rate or (b) a floating rate or a spread rate plus or minus a margin, as the case may be, and (ii) a relevant fraction, calculated as set out in the Conditions and/or in the applicable Final Terms.

Subordinated Notes will not be Range Accrual Notes.

**Benchmark
Discontinuation:**

In the case of Notes with an Original Reference Rate required to calculate an Interest Rate (or a component thereof) other than SOFR where Condition 4(n) is specified to be applicable in the applicable Final Terms (or in the case of €STR where the €STR Fallbacks specified in Condition 4(c)(i)(F)(4)) do not determine a replacement rate), if the Issuer determines that a Benchmark Event has occurred, the Issuer may (subject to certain conditions and following consultation with an Independent Adviser (as defined in Terms and Conditions of the Notes)) determine a Successor Rate, failing which an Alternative Rate and, in either case, an Adjustment Spread, if any, and any Benchmark Amendments (and, if the Issuer is unable to appoint an Independent Adviser or unable to make the relevant determination in consultation with an Independent Adviser, determined by the Issuer itself) in accordance with Note Condition 4(m) (Benchmark Discontinuation – Independent Adviser), without any requirement for the consent or approval of the Noteholders.

In the case of Notes with CMS Rate as the Original Reference Rate, if in the determination of the Calculation Agent a Benchmark Event or a USD Benchmark Transition Event has occurred, the Calculation Agent may make such adjustment(s) to the terms of the Notes as it determines appropriate in its sole and absolute discretion to account for the relevant event or circumstance and, without limitation, such adjustment(s) may include selecting a replacement (including any spread adjustment thereto) for the floating rate component of the Relevant Swap Rate (in which case references to such term herein will include references to such replacement from time to time) and making related adjustment(s), including without limitation with respect to any Relevant Swap Rate terms, to the terms of the Notes.

In the case of Notes with SOFR as the Original Reference Rate required to calculate an Interest Rate (or a component thereof) and Condition 4(n) is also specified to be applicable in the applicable Final Terms, if the Issuer or its designee determines that a Benchmark Transition Event and its related Benchmark Replacement Date has occurred, (i) the then current benchmark will be replaced by a replacement rate (determined by the Issuer or its designee in accordance with Condition 4(n) for all purposes in respect of all determinations on such date and for all determinations on all subsequent dates) and (ii) in connection with the implementation of a Benchmark Replacement, the Issuer or its designee will also have the right to make Benchmark Replacement Conforming Changes from time to time, in each case without any requirement for the consent or approval of the Noteholders. Where ISDA Determination Fallback is specified as being applicable in the applicable Final Terms, on the occurrence of a Benchmark Event or USD Benchmark Event (or where specified as being applicable to Notes with Screen Rate Determination pursuant to Note Condition 4(c)(i), in the circumstances set out therein), the Issuer may rely on the Calculation Agent to determine the Rate of Interest in accordance with Condition 4(o) (Benchmark Discontinuation - ISDA Determination Fallback).

In the case of Notes with €STR as the Original Reference Rate required to calculate an Interest Rate (or a component thereof), on the occurrence of a €STR Index Cessation Event and on a €STR Index Cessation Effective Date, the then current benchmark will be replaced by a replacement rate giving effect to the ECB Recommended Rate (as defined in Condition 4(c)(i)(F)); provided that if there is no such rate, the current benchmark will be replaced by a replacement rate giving effect to EDFR plus an adjustment spread; provided further that, if both an ECB Recommended Rate Index Cessation Event and an ECB Recommended Rate Index Cessation Effective Date subsequently occur, then the current benchmark will be replaced by a replacement rate giving effect to the EDFR plus the arithmetic mean of the daily difference between the ECB Recommended Rate and the EDFR over an observation period. If these specific fallback provisions do not determine the rate of interest, the generic Benchmark Discontinuation provisions described in the first paragraph above shall apply

- Zero Coupon Notes:** Zero Coupon Notes may be issued at their principal amount or at a discount to it and will not bear interest except if not redeemed in full on the Maturity Date. In the case of early redemption of Zero Coupon Notes, the Early Redemption Amount shall be determined either on the basis of compounding of the Amortisation Yield or without any compounding of the Amortisation Yield, as specified in the applicable Final Terms.
- Change of Interest Basis:** Notes may switch from one interest basis to another if so provided in the applicable Final Terms.
- Variable Coupon Amount Notes:** The Final Terms issued in respect of each issue of variable coupon amount Notes will specify the basis for calculating the amounts of interest payable, which may be by reference to a stock index or formula or as otherwise provided in the applicable Final Terms.
- Interest Periods and Interest Rates:** The length of the interest periods and the applicable interest rate or its method of calculation may differ from time to time or be constant. Notes may have a maximum interest rate, a minimum interest rate, or both. The use of interest accrual periods permits the Notes to bear interest at different rates in the same interest period. All such information will be set out in the applicable Final Terms.
- Redemption by Instalments:** The Final Terms issued in respect of each issue of Senior Notes which are redeemable in two or more instalments will set out the dates on which, and the amounts in which, such Senior Notes may be redeemed and the other terms applicable to such redemption. Bail-inable Notes and Subordinated Notes will not be subject to redemption in instalments.
- Other Notes:** Terms applicable to high interest Notes, low interest Notes, step-up Notes, step-down Notes, dual currency Notes, reverse dual currency Notes, optional dual currency Notes, Partly Paid Notes, and any other type of Note which the Issuer and any Dealer or Dealers may agree to issue under the Programme will be set out in the applicable Final Terms.
- Optional Redemption:** The Final Terms issued in respect of each issue of Notes will state whether such Notes may be redeemed prior to their stated maturity at the option of the Issuer (either in whole or in part) and/or the Noteholders, and if so, will specify the terms applicable to such redemption; provided that, (i) where a redemption of Bail-inable Notes by the Issuer would lead to a breach of the Issuer's minimum TLAC requirements, such redemption will be subject to the prior approval of the Superintendent of Financial Institutions (Canada) (the "**Superintendent**"); and (ii) Subordinated Notes may only be redeemed with the prior approval of the Superintendent.

Settlement:	<p>Settlement may be by payment in cash or by physical settlement (subject to satisfaction of all applicable conditions to settlement, including payment or deduction of taxes and Expenses).</p> <p>Settlement 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 Notes. The Issuer or the Noteholder may have the option to elect for cash or physical settlement if so specified in the applicable Final Terms.</p>
Redemption of Notes:	<p>Unless otherwise redeemed in accordance with their terms or otherwise specified, Notes will be redeemed at maturity at their Final Redemption Amount, the relevant Cash Settlement Amount or by delivery of the Entitlement, as applicable. Bail-inable Notes will continue to be subject to Bail-in Conversion prior to their repayment in full. Such a Bail-in Conversion will not be an event of default.</p>
Early Redemption for Illegality:	<p>In the event that the Issuer determines in good faith that (i) the performance of its obligations under the Senior Notes or (ii) any arrangements made to hedge under the Senior Notes have or will become illegal, the Issuer shall have the right to redeem the Senior Notes at their Early Redemption Amount together (if applicable) with interest accrued, taking into account any hedging losses; provided that, where a redemption of Bail-inable Notes by the Issuer would lead to a breach of the Issuer's minimum TLAC requirements, such redemption will be subject to the prior approval of the Superintendent.</p>
Early Redemption for Administrator/Benchmark Event:	<p>If so specified in the applicable Final Terms, Senior Notes may at the option of the Issuer be redeemed prior to maturity at any time, or may be adjusted (including the selection of one or more successor benchmarks and if applicable to reflect increased costs) following the occurrence of an Administrator/Benchmark Event, provided that, where a redemption of Bail-inable Notes by the Issuer would lead to a breach of the Issuer's minimum TLAC requirements, such redemption will be subject to the prior approval of the Superintendent.</p>
Consequences of an Additional Disruption Event:	<p>The Conditions of Notes may be adjusted and/or Notes may be redeemed early at their Early Redemption Amount.</p>
Consequences of a Settlement Disruption Event:	<p>Delivery of an Entitlement may be postponed until a date that there is no Settlement Disruption Event subsisting or the Issuer may elect to pay the Noteholder the Cash Disruption Settlement Price in full satisfaction of its obligations under the Notes.</p>
Negative Pledge:	<p>None.</p>
Cross-default:	<p>None.</p>

Status of Senior Notes:	<p>Senior Notes will constitute deposit liabilities of the Issuer pursuant to the <i>Bank Act</i> (Canada), will be unsubordinated and unsecured obligations of the Issuer and will rank <i>pari passu</i> with all present or future deposit liabilities of the Issuer and without any preference amongst themselves (except as otherwise prescribed by law and subject to the exercise of bank resolution powers).</p> <p>Senior Notes that are Bail-inable Notes (as defined below) are subject to a Bail-in Conversion (as defined below) under subsection 39.2(2.3) of the CDIC Act and to variation or extinguishment in consequence, and subject to the application of the laws of the Province of Ontario and the federal laws of Canada applicable therein in respect of the operation of the CDIC Act with respect to the Bail-inable Notes (see “<i>Risk Factors – Risks Relating to the Notes – Risks applicable to Bail-inable Notes</i>”).</p> <p>Senior Notes will not be deposits insured under the CDIC Act or any other deposit insurance regime.</p>
Status of Subordinated Notes:	<p>Subordinated Notes will be direct unsecured obligations of the Issuer constituting subordinated indebtedness for the purposes of the <i>Bank Act</i> (Canada), which, if the Issuer becomes insolvent or is wound-up (prior to the occurrence of a Non-Viability Trigger Event), will rank <i>pari passu</i> with all other present or future subordinated indebtedness of the Issuer (other than subordinated indebtedness that has been further subordinated in accordance with its terms and subordinated indebtedness having priority to the Subordinated Notes by virtue of any law now or hereafter in force).</p> <p>The subordinated indebtedness evidenced by the Subordinated Notes will, in the event of the insolvency or winding-up of the Issuer, be subordinate in right of payment to all deposit liabilities of the Issuer, including Senior Notes and all other liabilities of the Issuer except those that, by their terms, rank equally with or are subordinate to such subordinated indebtedness and except as otherwise prescribed by law.</p> <p>On the occurrence of a Non-Viability Trigger Event, the Subordinated Notes are subject to mandatory and automatic conversion into Common Shares as further described in Condition 10(a) of the Terms and Conditions of the Notes.</p> <p>The Subordinated Notes are not deposit liabilities of the Issuer and will not be deposits insured under the CDIC Act or any other deposit insurance regime.</p>
Covenant (Subordinated Notes):	<p>The Issuer will not create, issue or incur any Junior Indebtedness (as defined in Condition 3(d)) which, pursuant to the terms of the instrument evidencing or creating the same, has a right attached thereto, in favour of the holders thereof (the “Junior Right”), to cause the principal amount to become due and payable prior to the later of its stated maturity or the expiration of any applicable grace period, or otherwise than at the option of the Issuer, unless and until such a right or remedy in respect of the Subordinated Notes is exercisable and the holders thereof have exercised any such right or remedy in respect of the Subordinated Notes prior to the exercise of the Junior Right.</p>
Canadian Bank Resolution Powers:	<p>The <i>Bank Act</i> (Canada), the CDIC Act and certain other Canadian federal statutes pertaining to banks contain provisions setting out a bank recapitalisation or Bail-in Regime (as defined below) for domestic systemically important banks (“D-SIBs”), which include the Issuer.</p>

The Canada Deposit Insurance Corporation (“**CDIC**”), Canada’s resolution authority, has the power to transfer certain assets and liabilities of a distressed bank that is subject to a resolution order under the CDIC Act to a bridge institution wholly-owned by CDIC or a third-party acquiror. Upon exercise of such power, any assets and liabilities of the distressed bank that are not transferred to the bridge institution or third-party acquiror would remain with the distressed bank, which would then be wound up. In such a scenario involving the Issuer, any liabilities of the Issuer, such as the Notes, that are not assumed by the bridge institution or third-party acquiror could receive partial or no repayment in the ensuing winding-up of the Issuer.

Under the CDIC Act, in circumstances where the Superintendent is of the opinion that the Issuer has ceased, or is about to cease, to be viable, the Superintendent, after providing the Issuer with a reasonable opportunity to make representations, is required to report this to the CDIC. Following receipt of the Superintendent’s report, CDIC may request the Minister of Finance (Canada) (the “**Minister of Finance**”), to recommend that the Governor in Council (Canada) make an order and, if the Minister of Finance is of the opinion that it is in the public interest to do so, the Minister of Finance may recommend that the Governor in Council (Canada) grant and on such recommendation, the Governor in Council (Canada) may grant one or more Orders (as defined below), including directing CDIC to carry out a Bail-in Conversion (as defined below) provided that prior to making such a Conversion Order (as defined below), the Governor in Council (Canada) has granted an Order vesting the shares and subordinated debt of the Issuer specified in the Order in CDIC or appointing CDIC as receiver in respect of the Issuer.

A Conversion Order gives CDIC the power to effect a Bail-in Conversion (as defined below) (including by converting, or cause the Issuer to convert, in whole or in part – by means of a transaction or series of transactions and in one or more steps – the Issuer’s shares and liabilities subject to conversion under section 39.13(2.3) of the CDIC Act, including Bail-inable Notes, into common shares of the Issuer or any of its affiliates). The terms and conditions of the Bail-in Conversion will be determined by CDIC in accordance with and subject to certain requirements under the Bail-in Regime (See “*Risk Factors – Risks Relating to the Notes – 1. Risks applicable to Bail-inable Notes – (iv) The number of common shares to be issued in connection with, and the number of common shares that will be outstanding following, a Bail-in Conversion are unknown. It is also unknown whether the shares to be issued will be those of the Issuer or one of its affiliates.*” below).

All Notes that (i) have an initial or amended term to maturity (including explicit or embedded options) greater than 400 days; (ii) are unsecured or partially secured; (iii) have been assigned a Committee on Uniform Security Identification Procedures (CUSIP) number, International Securities Identification Number (ISIN) or other similar designation that identifies a specific security in order to facilitate its trading and settlement; and (iv) are not otherwise excluded (e.g. structured notes (as such term is used under the Bail-in Regime)) under the Bail-in Regime (“**Bail-inable Notes**”), will be identified as Bail-inable Notes in the applicable Final Terms.

The Conditions provide that holders of Bail-inable Notes attorn to the jurisdiction of courts in the Province of Ontario with respect to the CDIC Act and the laws of the Province of Ontario and the federal laws of Canada applicable therein in respect of the operation of the CDIC Act with respect to the Bail-inable Notes. These terms are binding on each holder of Bail-inable Notes despite any other terms of the relevant Bail-inable Notes, any other law that governs such Bail-inable Notes and any other agreement, arrangement or understanding between the Issuer and such holder with respect to such Bail-inable Notes.

Agreement with respect to the exercise of Canadian Bail-in powers in relation to Bail-inable Notes:

By acquiring Bail-inable Notes, each Noteholder (including each beneficial owner) is deemed to:

- (i) agree to be bound, in respect of the Bail-inable Notes, by the CDIC Act, including the conversion of the Bail-inable Notes, in whole or in part – by means of a transaction or series of transactions and in one or more steps – into common shares of the Issuer or any of its affiliates under subsection 39.2(2.3) of the CDIC Act and the variation or extinguishment of the Bail-inable Notes in consequence, and by the application of the laws of the Province of Ontario and the federal laws of Canada applicable therein in respect of the operation of the CDIC Act with respect to such Bail-inable Notes (a “**Bail-in Conversion**”);
- (ii) attorn and submit to the jurisdiction of the courts in the Province of Ontario, Canada with respect to the CDIC Act and agree to be bound by the laws of the Province of Ontario and the federal laws of Canada applicable therein in respect of the operation of the CDIC Act with respect to the Bail-inable Notes;
- (iii) have represented and warranted to the Issuer that the Issuer has not directly or indirectly provided financing to the Noteholder for the express purpose of investing in the Bail-inable Notes; and
- (iv) acknowledge and agree that the terms referred to in paragraphs (i) and (ii), above, are binding on such Noteholder despite any provisions in these Conditions, any other law that governs such Bail-inable Notes and any other agreement, arrangement or understanding between such Noteholder and the Issuer with respect to such Bail-inable Notes.

The applicable Final Terms will indicate whether Notes are Bail-inable Notes. All Bail-inable Notes are subject to Bail-in Conversion.

Each Noteholder or beneficial owner of the Bail-inable Notes that acquires an interest in the Bail-inable Notes in the secondary market and any successors, assigns, heirs, executors, administrators, trustees in bankruptcy and legal representatives of any such Noteholder or beneficial owner shall be deemed to acknowledge, accept, agree to be bound by and consent to the same provisions specified herein to the same extent as the holders or beneficial owners that acquire an interest in the Bail-inable Notes upon their initial issuance, including, without limitation, with respect to the acknowledgement and agreement to be bound by and consent to the terms of the Bail-inable Notes related to the Bail-in Regime.

NVCC Automatic Conversion of Subordinated Notes: Upon the occurrence of a Non-Viability Trigger Event, each Subordinated Note will be automatically and immediately converted on a full and permanent basis, without the consent of the Noteholder thereof, into such number of fully-paid Common Shares as will be determined in accordance with Condition 10. An NVCC Automatic Conversion shall be mandatory and binding upon both the Issuer and all holders of the Subordinated Notes notwithstanding anything else including, without limitation: (a) any prior action to or in furtherance of redeeming, exchanging or converting the Subordinated Notes pursuant to the terms and conditions thereof; and (b) any delay in or impediment to the issuance or delivery of the Common Shares to the holders of the Subordinated Notes.

Notwithstanding any other provisions of Condition 10, the Issuer reserves the right not to deliver some or all, as applicable, of the Common Shares issuable upon an NVCC Automatic Conversion to any Ineligible Person (as defined in Condition 10(e)) or any person who, by virtue of the operation of the NVCC Automatic Conversion would become a Significant Shareholder (as defined in Condition 10(e)) through the acquisition of Common Shares. In such circumstances, the Issuer will hold, as agent for such persons, the Common Shares that would have otherwise been delivered to such persons and will attempt to facilitate the sale of such Common Shares to parties other than the Issuer and its affiliates on behalf of such persons through a registered dealer. See “*Risk Factors – Risks related to the Subordinated Notes*”.

Events of Default for Senior Notes that are not Bail-inable Notes: The terms of the Senior Notes that are not Bail-inable Notes contain events of default covering (a) non-payment for more than 30 days (in the case of interest) or five days (in the case of principal); and (b) if the Issuer becomes insolvent or bankrupt or subject to the provisions of the *Winding-up and Restructuring Act* (Canada) (the “**WURA**”) or any statute hereafter enacted in substitution therefor, as the WURA, or any such substituted statute, may be amended from time to time, or if the Issuer goes into liquidation, either voluntarily or under an order of a court of competent jurisdiction, passes a resolution for the winding-up, liquidation or dissolution of the Issuer, is ordered wound-up or otherwise acknowledges its insolvency.

Events of Default for Senior Notes that are Bail-inable Notes: The terms of the Senior Notes that are Bail-inable Notes provide for events of default which are limited to (a) non-payment for more than 30 business days of interest or principal; and (b) if the Issuer becomes insolvent or bankrupt or subject to the provisions of the WURA or any statute hereafter enacted in substitution therefor, as the WURA, or any such substituted statute, may be amended from time to time, or if the Issuer goes into liquidation, either voluntarily or under an order of a court of competent jurisdiction, passes a resolution for the winding-up, liquidation or dissolution of the Issuer, is ordered wound-up or otherwise acknowledges its insolvency; provided that Noteholders may only exercise or direct the exercise of, those rights to accelerate the Bail-inable Notes upon such an event where an order has not been made pursuant to subsection 39.13(1)(c) of the CDIC Act in respect of the Issuer and, notwithstanding the exercise of any right to accelerate the Bail-inable Notes, Bail-inable Notes will continue to be subject to a Bail-in Conversion until repaid in full. Neither a Bail-in Conversion nor an NVCC Automatic Conversion will be an event of default.

Events of Default for Subordinated Notes: The events of default for the Subordinated Notes are limited to certain bankruptcy or insolvency events occurring in respect of the Issuer.

Neither an NVCC Automatic Conversion upon the occurrence of a Non-Viability Trigger Event nor a Bail-in Conversion will constitute an event of default under the Subordinated Notes.

Waiver of Set-Off (Bail-inable Notes):	Bail-inable Notes are not subject to set-off or netting rights.
Early Redemption for taxation reasons / TLAC Disqualification Event / Regulatory Event:	<p>Except as provided in “<i>Optional Redemption</i>” above or otherwise specified, Notes will be redeemable in whole, but not in part only, at the option of the Issuer prior to maturity only for tax reasons as described in “<i>Terms and Conditions of the Notes — Redemption, Purchase and Optional Redemption — Redemption for taxation reasons</i>” or, in the case of Subordinated Notes only, upon the occurrence of a Regulatory Event, provided that: (i) in respect of Bail-inable Notes, where such redemption would lead to a breach of the Issuer’s minimum TLAC requirements, such redemption will be subject to the prior approval of the Superintendent; and (ii) Subordinated Notes may only be redeemed with the prior approval of the Superintendent, or as otherwise described below.</p> <p>If so specified in the applicable Final Terms, Bail-inable Notes may be redeemed in whole, but not in part only, at the option of the Issuer prior to maturity at any time following the occurrence of a TLAC Disqualification Event, subject to the prior consent of the Superintendent, as described in “<i>Terms and Conditions of the Notes – Redemption, Purchase and Optional Redemption – Redemption due to TLAC Disqualification Event</i>”. Bail-inable Notes will continue to be subject to a Bail-in Conversion until repaid in full.</p>
Withholding Tax:	All payments of principal and interest in respect of the Notes will be made free and clear of withholding taxes of Canada, or any province or territory thereof and of the country in which the branch of account for the Notes is located (including the UK) subject to certain exceptions, all as described in “ <i>Terms and Conditions of the Notes — Taxation</i> ”.
Governing Law:	The laws of the Province of Ontario and the federal laws of Canada applicable therein.
Listing:	<p>Notes may be listed on the SGX-ST if the application to the SGX-ST to list a particular Series of Notes is approved.</p> <p>So long as the Notes are listed on the SGX-ST and the rules of the SGX-ST so require, the Issuer will appoint and maintain a Paying Agent in Singapore, where the Notes may be presented or surrendered for payment or redemption, in the event that a Bearer Global Note is exchanged for Notes in definitive form. In addition, in the event that a Bearer Global Note is exchanged for Notes in definitive form, announcement of such exchange will be made by or on behalf of the Issuer through the SGX-ST and such announcement will include all material information with respect to the delivery of the Notes in definitive form, including details of the Paying Agent in Singapore, so long as the Notes are listed on the SGX-ST and the rules of the SGX-ST so require.</p> <p>Notes may be listed or admitted to trading, as the case may be, on other or further stock exchanges or markets as agreed between the Issuer and the relevant Dealer in relation to the relevant Series. Notes which are neither listed nor admitted to trading on any market may also be issued.</p> <p>The applicable Final Terms will state whether or not the relevant Notes are to be listed and/or admitted to trading and, if so, on which stock exchanges and/or markets.</p>
Selling Restrictions:	See “ <i>Plan of Distribution</i> ”.

Protection Amount:	In respect of a Series of Reference Item Linked Notes to which a Protection Amount is specified in the applicable Final Terms, the Final Redemption Amount or Cash Settlement Amount, as the case may be, will in no circumstances be paid at the stated Maturity Date, redemption date or settlement date (as applicable) at less than the specified percentage of the principal amount of such Note. No Protection Amount shall apply to Bail-inable Notes or Subordinated Notes, or a portion of Bail-inable Notes that are subject to a Bail-inable Conversion.
Index Linked Notes:	<p>Amounts payable in respect of Index Linked Notes will be calculated by reference to one or more Indices. The Index may reference or comprise reference equities, bonds, property, currency exchange rates or other assets or bases of reference.</p> <p>If certain disruption events occur with respect to valuation of an Index such valuation will be postponed and may be made by the Calculation Agent. Payments may also be postponed.</p>
Equity Linked Notes:	<p>Amounts payable in respect of Equity Linked Notes will be calculated by reference to a single equity or basket of equities. Equity Linked Notes may also provide for settlement by physical delivery of a specified amount of equities of one or more issuers, subject to payment of any sums payable.</p> <p>If certain disruption events occur with respect to valuation of an Equity, such valuation will be postponed and may be made by the Calculation Agent. Payments may also be postponed.</p>
Commodity Linked Notes:	<p>Amounts payable in respect of Commodity Linked Notes will be calculated by reference to a single commodity and/or commodity index or basket of commodities and/or commodity indices.</p> <p>Commodity Linked Notes may also provide for settlement by physical delivery of a specified amount of commodities, subject to payment of any sums payable.</p>
Fund Linked Notes:	<p>Amounts payable in respect of Fund Linked Notes will be calculated by reference to units, interests or shares in a single Fund or basket of Funds. Fund Linked Notes may also provide for settlement by physical delivery of a specified amount of units, interests or shares of one or more Funds, subject to payment of any sums payable.</p> <p>If certain disruption events occur with respect to the valuation of a Fund Share in respect of an Exchange Traded Fund, such valuation may be postponed and may be made by the Calculation Agent. Payments may also be postponed.</p>
Credit Linked Notes:	<p>Amounts payable and/or deliverable in respect of Credit Linked Notes will be calculated by reference to the credit of a specified entity or entities.</p> <p>Following the occurrence of an Event Determination Date, the Credit Linked Notes will be redeemed or cancelled, as the case may be, and the Issuer will either pay the Auction Settlement Amount or pay the Credit Event Redemption Amount or deliver the Deliverable Obligations comprising the Entitlement (as applicable).</p>
Synthetic Currency Notes:	<p>Synthetic Currency Notes may be denominated in the Specified Currency but payable in another currency.</p> <p>If certain disruption events occur with respect to the valuation of the Synthetic Currency FX Rate, such valuation may be postponed and may be made by the Calculation Agent. Payments may also be postponed.</p>

RISK FACTORS

THE ISSUER BELIEVES THAT THE FOLLOWING FACTORS WHICH ARE SPECIFIC TO THE ISSUER MAY AFFECT ITS ABILITY TO FULFIL ITS OBLIGATIONS UNDER, OR IN RESPECT OF THE NOTES ISSUED UNDER THE PROGRAMME. ALL OF THESE FACTORS ARE CONTINGENCIES WHICH MAY OR MAY NOT OCCUR AND THE ISSUER IS NOT IN A POSITION TO EXPRESS A VIEW ON THE LIKELIHOOD OF ANY SUCH CONTINGENCY OCCURRING. IN ADDITION, FACTORS, ALTHOUGH NOT EXHAUSTIVE, WHICH ARE MATERIAL FOR THE PURPOSE OF ASSESSING THE MARKET RISKS ASSOCIATED WITH NOTES ISSUED UNDER THE PROGRAMME ARE ALSO DESCRIBED BELOW.

THE ISSUER BELIEVES THAT THE FACTORS DESCRIBED BELOW REPRESENT THE MATERIAL RISKS INHERENT IN INVESTING IN NOTES ISSUED UNDER THE PROGRAMME, AT THE DATE OF THIS PROSPECTUS. IF ANY OR A COMBINATION OF THESE RISKS ACTUALLY OCCURS, THE BUSINESS, RESULTS OF OPERATION, FINANCIAL CONDITION AND/OR PROSPECTUS OF THE ISSUER COULD BE MATERIALLY AND ADVERSELY AFFECTED, WHICH COULD RESULT IN THE ISSUER BEING UNABLE TO PAY INTEREST, PRINCIPAL OR OTHER AMOUNTS ON OR IN CONNECTION WITH ANY NOTES ISSUED BY IT OR MATERIALLY ADVERSELY AFFECT THE TRADING PRICE OF ANY SUCH NOTES ISSUED UNDER THE PROGRAMME.

PROSPECTIVE INVESTORS SHOULD NOTE THAT THE RISKS RELATING TO THE ISSUER SUMMARISED IN THIS SECTION ARE RISKS THAT THE ISSUER BELIEVES TO BE THE MOST ESSENTIAL TO AN ASSESSMENT BY THE PROSPECTIVE INVESTOR OF WHETHER TO CONSIDER AN INVESTMENT IN THE NOTES ISSUED UNDER THE PROGRAMME AND THE ISSUER DOES NOT REPRESENT THAT THE STATEMENTS BELOW REGARDING THE RISKS OF HOLDING ANY NOTES ARE EXHAUSTIVE. AS THE RISKS WHICH THE ISSUER FACES RELATE TO EVENTS AND DEPEND ON CIRCUMSTANCES THAT MAY OR MAY NOT OCCUR IN THE FUTURE, PROSPECTIVE INVESTORS SHOULD ALSO READ THE DETAILED INFORMATION SET OUT ELSEWHERE IN THIS PROSPECTUS (INCLUDING INFORMATION INCORPORATED BY REFERENCE) TO REACH THEIR OWN VIEWS PRIOR TO MAKING ANY INVESTMENT DECISIONS.

PROSPECTIVE INVESTORS MAY WISH TO CONSIDER CONSULTING THEIR OWN FINANCIAL AND LEGAL ADVISERS AS TO THE RISKS ENTAILED BY AN INVESTMENT IN ANY NOTES.

AN INVESTMENT IN NOTES LINKED TO ONE OR MORE REFERENCE ITEMS MAY ENTAIL SIGNIFICANT RISKS NOT ASSOCIATED WITH INVESTMENTS IN A CONVENTIONAL DEBT SECURITY, INCLUDING BUT NOT LIMITED TO THE RISKS SET OUT BELOW. THE AMOUNT PAID BY THE ISSUER ON REDEMPTION OR SETTLEMENT OF THE NOTES MAY BE LESS THAN THE PURCHASE PRICE OF THE NOTES, TOGETHER WITH ANY ACCRUED INTEREST, AND MAY IN CERTAIN CIRCUMSTANCES BE ZERO. WHERE THE NOTES ARE REDEEMED OR SETTLED BY THE ISSUER BY DELIVERY OF REFERENCE ITEM(S) THE VALUE OF THE REFERENCE ITEM(S) MAY BE LESS THAN THE PURCHASE PRICE OF THE NOTES, TOGETHER WITH ANY ACCRUED INTEREST, AND MAY IN CERTAIN CIRCUMSTANCES BE ZERO. THE INVESTOR ASSUMES THE CREDIT RISK OF THE ISSUER FOR ALL PAYMENTS UNDER THE NOTES.

CERTAIN ISSUES OF NOTES INVOLVE A HIGH DEGREE OF RISK AND POTENTIAL INVESTORS SHOULD BE PREPARED TO SUSTAIN A LOSS OF ALL OR PART OF THEIR INVESTMENT.

Unless otherwise stated, terms and expressions used but not defined herein have the meanings given to them in the “*Terms and Conditions of the Notes*” (the “*Conditions*”).

A. Risks relating to the Issuer

1.1. Principal Risks.

As a large, international financial services company, the Issuer faces risks that are inherent in the business and marketplaces in which it operates. As part of its Risk Management Framework, the Issuer has a comprehensive risk identification and assessment process. This includes, on an annual basis, an Issuer-wide risk assessment that identifies and evaluates the risks faced by the Issuer. From this assessment, management

determines on an annual basis, a list of Principal Risks, which includes those risks which management considers of primary importance and having a significant impact or influence on the Issuer's primary business and revenue generating activities or inherent in the Issuer's business and can have significant negative strategic, business, financial and/or reputational consequences.

(i) Credit Risk

Credit risk is the risk of loss resulting from the failure of a borrower or counterparty to honour its financial or contractual obligations to the Issuer. Credit risk arises in the Issuer's direct lending operations, and in its funding, investment and trading activities where counterparties have repayment or other obligations to the Issuer.

The Issuer's credit exposure includes (i) corporate and commercial, (ii) traded products and (iii) retail. Traded products are transactions such as OTC derivatives (including foreign exchange and commodity based transactions), Securities Financing Transactions (including repurchase/reverse repurchase agreements, and securities lending/borrowing), and on-exchange instruments. The Issuer's credit risk framework and policies set out, among other things, the credit risk rating systems and associated parameter estimates, the delegation of authority for granting credit, and the calculation of allowance for credit losses. The Issuer's credit risk rating system is subject to rigorous validation, governance and oversight framework, and is regularly reviewed.

The Issuer makes provisions for credit losses to manage its credit risk. Notwithstanding such provision and the efforts made to manage such risks diligently, there is no guarantee that procedures put in place can assess accurately and mitigate all of the risks of exposure to borrowers and counterparty's failure to honour contractual obligations or the worsening of the credit rating of borrowers and counterparties, and the failure of any such procedures may negatively impact the Issuer's financial condition, reputation and/or results of operations.

(ii) Market Risk.

Market risk is the risk of loss from changes in market prices and rates (including interest rates, credit spreads, equity prices, foreign exchange rates and commodity prices), the correlations between them, and their levels of volatility.

The Board of Directors reviews and approves market risk policies and limits annually. The Issuer's Asset-Liability Committee (ALCO) and Market Risk Management and Policy Committee (MRMPC) oversee the application of the framework set by the Board, and monitor the Issuer's market risk exposures and the activities that give rise to these exposures. The MRMPC establishes specific operating policies and sets limits at the product, portfolio, business unit and business line levels, and for the Issuer in total. Limits are reviewed at least annually. Global Risk Management provides independent oversight of all significant market risks, supporting the MRMPC and ALCO with analysis, risk measurement, monitoring, reporting, proposals for standards and support for new product development. The Issuer uses a variety of metrics and models to measure and control market risk exposures. These measurements are selected based on an assessment of the nature of risks in a particular activity. The principal measurement techniques are Value At Risk (VaR), Incremental Risk Charge, stress testing, and sensitivity analysis.

Market risk arises in the Issuer's (a) trading activities and (b) non-trading activities, with the two principal non-trading market risks being the risks of interest rate and exchange rate volatility, described further below. The market risk arising from the Issuer's trading activities is managed in accordance with Board-approved policies, and aggregate VaR and stress testing limits. The quality of the Issuer's VaR is validated by regular backtesting analysis, in which the VaR is compared to both theoretical profit and loss results based on fixed end of day positions and actual reported profit and loss.

The Issuer is subject to interest rate risk arising from the Issuer's lending, funding and investment activities and is the risk of loss due to the following: changes in the level, slope and curvature of the yield curve, the volatility of interest rates and mortgage prepayment rates. The Issuer has adopted policies and global limits to control the risk to net interest income and the economic value of shareholders' equity.

The Issuer's interest rate risk exposure calculations are generally based on the earlier of contractual repricing or maturity of on-balance sheet and off-balance sheet assets and liabilities, although certain assets and

liabilities such as credit cards and deposits without a fixed maturity are assigned to a maturity profile based on the longevity of the exposure.

The table below (non-trading interest rate sensitivity) shows the pro-forma after tax impact on the Issuer's net interest income over the next 12 months and economic value of shareholders' equity of an immediate and sustained 100 basis points increase and 100 basis points decrease in interest rates across major currencies as defined by the Issuer. These calculations are based on models that consider a number of inputs and are on a constant balance sheet and make no assumptions for management actions to mitigate the risk.

As at											
	April 30, 2023						January 31, 2023		April 30, 2022		
	Net interest income			Economic value of equity							
(\$ millions)	Canadian dollar	Other currencies	Total	Canadian dollar	Other currencies	Total	Net interest income	Economic value of equity	Net interest income	Economic value of equity	
+100 bps	\$(52)	\$ 6	\$(46)	\$(506)	\$(741)	\$(1,247)	\$(304)	\$(1,689)	+100 bps	\$(126)	\$(1,699)
-100 bps	16	(18)	(2)	272	524	796	233	1,206	-25 bps	-	296

Foreign currency risk is the risk of loss due to changes in spot and forward rates and it arises in the Issuer's unhedged funding and investment activities primarily from the Issuer's net investment in foreign operations as well as foreign currency earnings in its domestic and remitting foreign branch operations. The Issuer's revenues, expenses and income denominated in currencies other than the Canadian dollar are subject to fluctuations in the movement of the Canadian dollar relative to such currencies.

As at 30 April 2023 a one per cent. increase (or decrease) in the Canadian dollar against all currencies in which the Issuer operates decreases (increases) the Issuer's before-tax annual earnings by approximately \$71 million (31 January 2023 – \$59 million; 30 April 2022 – \$39 million) (31 October 2022 - \$55 million) in the absence of hedging activity, primarily from exposure to the U.S. dollars. A strengthening or weakening of the Canadian dollar compared to the U.S. dollar, Mexican peso, Peruvian Sol, Colombian Peso and Chilean Peso could reduce or increase, as applicable, the translated value of the Issuer's foreign currency denominated revenue, expenses and earning and could have a significant impact on the Issuer's overall business and financial results. The Issuer has adopted specific policies to manage market risk and the monitoring of the associated foreign exposure limits described above. Despite such policies, the Issuer remains exposed to the risks of fluctuations in currency and risk of loss as a result of market risks which may have a negative impact on the business, financial condition and/or results of operations of the Issuer.

(iii) *Liquidity Risk.*

Liquidity risk is the risk that the Issuer is unable to meet its financial obligations in a timely manner at reasonable prices. Financial obligations include liabilities to depositors, payments due under derivative contracts, settlement of securities borrowing and repurchase transactions, and lending and investment commitments.

Liquidity risk is managed through a framework and supporting policies as well as limits that are approved by the Board of Directors. The Board receives reports on risk exposures and performance against approved limits. The Asset-Liability Committee (ALCO) provides senior management oversight of liquidity risk.

Liquid assets are a key component of liquidity management and the Issuer holds these types of assets in sufficient quantity to meet potential needs for liquidity management. The Issuer maintains large holdings of unencumbered liquid assets to support its operations. These assets generally can be sold or pledged to meet the Issuer's obligations. The Issuer's liquidity pool is held across major currencies, mostly comprised of Canadian and U.S dollar holdings.

Liquidity Risk is measured and controlled through a range of metrics with applicable limits, including the liquidity coverage ratio, net stable funding ratio, net cumulative cash flow, funding concentration, minimum liquidity buffer, maximum amount of pledged assets, minimum liquidity stress surplus, and maximum cash gaps guidance levels.

The Issuer is required to maintain an adequate level of unencumbered high-quality liquid assets that can be converted into cash to meet liquidity needs over a 30 calendar day horizon under a pre-defined significantly severe liquidity stress scenario. This is measured by the Liquidity Coverage Ratio (LCR) which is based on a 30-

day liquidity stress scenario, with assumptions defined in the OSFI Liquidity Adequacy Requirements (LAR) Guideline. The LCR is calculated as the ratio of high quality liquid assets to net cash flows. Currently, the Issuer is subject to a regulatory minimum LCR of 100 per cent. Effective liquidity risk management is essential to maintain the confidence of depositors and counterparties, to manage the Issuer's cost of funds and support its core business activities even in adverse circumstances. Any significant deterioration in the Issuer's liquidity position may lead to an increase in funding costs or constrain the volume of new lending. These factors may adversely impact the Issuer's profitability and financial performance and condition.

(iv) Money Laundering, Terrorist Financing and Sanctions Risk.

Money Laundering, Terrorist Financing (ML/TF) and Sanctions risks are the susceptibility of the Issuer to be used by individuals or organizations to launder the proceeds of crime, finance terrorism, or violate economic sanctions. They also includes the risk that the Issuer does not conform to applicable Anti-Money Laundering (AML) / Anti-Terrorist Financing or Sanctions legislation or does not apply adequate controls reasonably designed to detect and deter ML/TF and sanctions violations or to file any required regulatory reports.

The Issuer is subject to the expanding and ever-evolving anti-money laundering/anti-terrorist financing and economic sanctions laws and regulations internationally across the Issuer's footprint. Money laundering, terrorist financing, and economic sanctions violations represent material risk to the Issuer including regulatory, legal, financial and reputational exposure. In the case of economic sanctions, the trend towards retaliatory sanctions laws and regulations and anti-blocking statutes in certain jurisdictions increases the potential for situations to arise involving conflicts of law, due to the Issuer's global footprint.

Regulators have also evidenced an increased focus on risks associated with anti-money laundering and terrorist financing. Sanctions authorities continue to be very active with the number of 'listed' persons increasing.

If the Issuer was found to be in breach of its regulatory obligations, it could be subject to a material fine and/or restrictions on its business operations. The Issuer maintains an AML Program which includes policies, procedures and control standards relating to client identification and due diligence, transaction monitoring, payment and name screening, as well as investigation and reporting of suspicious activity. The AML Program is designed with the goal of preventing, deterring, detecting and reporting suspected money laundering and terrorist financing activities across the organization, and ensuring compliance with the laws and regulations of the various jurisdictions in which the Issuer operates.

(v) Operational Risks.

Operational risk is the risk of loss resulting from people, inadequate or failed processes and systems, or from external events. Operational risk includes third party risk and legal risk but excludes strategic risk and reputational risk. It exists in some form in each of the Issuer's business and support activities, and third parties to whom activities have been outsourced. It can result in financial loss, regulatory sanctions and damage to the Issuer's reputation. Operational risk management refers to the discipline of systematic identification, assessment, measurement, mitigation, monitoring, and reporting of operational risk.

Similar to all large organizations, the Issuer is exposed to many types of operational risk, including the risk of fraud by employees or outsiders, unauthorized transactions by employees, temporary loss or shortage of employees, or operational errors, including clerical or record keeping errors or errors resulting from faulty or disabled computer or telecommunications systems. Given the high volume of transactions the Issuer processes on a daily basis, certain errors may be repeated or compounded before they are discovered and successfully rectified. Shortcomings or failures in the Issuer's internal processes, people or systems, including any of the Issuer's financial, accounting or other data processing systems, could lead to, among other consequences, direct or indirect financial loss, regulatory sanctions, and reputational damage. In addition, despite the contingency plans the Issuer has in place, the Issuer's ability to conduct business may be adversely impacted by a disruption in the infrastructure that supports the Issuer's businesses and the communities in which they are located.

Notwithstanding anything in this risk factor, this risk factor should not be taken as implying that the Issuer will be unable to comply with its obligations as a company with securities admitted to the Official List or as an authorised firm regulated by the Financial Conduct Authority.

The Issuer's Operational Risk Management Framework sets out an integrated approach to identify, assess, control, mitigate and report operational risks across the Issuer. The Issuer applies the Standardized Approach for calculating operational risk capital as per the applicable Basel Standards.

(vi) *Cyber security and Information Technology (IT) Risk.*

IT Risk is the risk of financial loss, disruption or damage to reputation from a failure of information technology systems. Cyber Security risks are the unique IT risks faced as a result of using interconnected systems and digital technologies.

The Cybersecurity and IT risk landscape continues to evolve across the financial industry. The increasing use of digital delivery channels to deliver financial services exposes the Issuer to various vectors of attack. Threat actors (individuals, organized crime rings and nation state sponsored) continue to target financial institutions to steal data, money or to disrupt operations. The ongoing geopolitical tensions increase the risk of escalations through retaliatory cyber attacks. Those events may negatively impact the Issuer's operational environment, its customers and other third parties. The Issuer continues to expand its cyber security capabilities to defend against potential threats and minimize the impact to the business.

Cybersecurity risk arises from multiple threats includes risks in the form of cyber-attacks, data breaches, cyber extortion and similar compromises and continues to impact financial institutions and other businesses in Canada and around the globe. Threats are not only increasing in volume but in their sophistication as adversaries use ever evolving technologies and attack vectors. The technology environment of the Issuer, its customers and the third parties providing services to the Issuer, may be subject to attacks, breaches or other compromises. Incidences like these can result in disruption to operations, misappropriation or unauthorized release of confidential, financial or personal information, reputational damage, regulatory investigations and fines, among other things. The Issuer proactively monitors and manages these risks by investing in technology and talent expertise to ensure appropriate risk-based remediation activities, and in enhanced tooling to support the Issuer's ability to improve cyber resiliency and reinforce protection against events and factors outside of its control. In addition, the Issuer purchases insurance coverage to help mitigate against certain potential losses associated with cyber incidents. In the event of a successful cyber-attack, the Issuer would be exposed to financial loss, reputational loss, the risk of not achieving its business objectives as well as major disruption in its operations.

(a) *Technology Innovation and disruption.*

Risks and impacts emanating from digitalisation of money (e.g., crypto currency and decentralised finance) and consumer directed finance, such as open banking, and continued digital innovations (e.g., adoption of cloud computing and artificial intelligence/machine learning) increase strategic risk and potential vulnerabilities, requiring ongoing investments to adapt to new technologies in a secure manner. New unregulated participants can disrupt a bank's operating model with the use of advanced technologies, agile delivery methodologies and analytical tools offering bank-like products with lower fixed costs. Competition from non-financial companies could adversely affect the Issuer's business strategies, financial performance, and reputation. The increasing role of data, models, and artificial intelligence in decision making processes and operations, evolving regulatory expectations, increasing sensitivities and concerns on their appropriate use, and the potential for bias in the decision-making process, can also result in reputational risk.

(b) *Third Party Service Providers.*

The Issuer continues to rely on third parties for the delivery of some critical services. The emergence of a concentrated number of dominant service providers, combined with an uncertain geopolitical and macroeconomic climate, increases compliance, operational, data and cyber risk for service providers. Regulatory focus in third party risk management is evolving and includes the financial industry's approach to cloud technology, data protection, and operational resilience.

The Issuer continues to enhance third party risk assessment and governance to ensure a solid risk management framework to support engagements with third party service providers. The Issuer continues to invest in enhancing its governance of third parties, resourcing capabilities, and technology to ensure it manages third party risk prudently. Third party service providers other than IT vendors, as well as service providers to those third parties (i.e. fourth party vendors) can also fall victim to systems, data and privacy breaches if their control environments fail to operate effectively. Any such breaches could impact the Issuer if the Issuer's data is shared

with such vendors in the course of their provision of services to the Issuer. A successful cyber attack on, or data breaches or other compromises involving, third party service providers or fourth party vendors, can result in major disruption to the Issuer's operations, misappropriation or unauthorised release of its confidential, financial or personal information, reputational damage, regulatory investigations and fines, among other things.

(vii) Compliance Risk.

Compliance Risk is the risk of an activity not being conducted in conformity with applicable laws, rules, regulations and prescribed practices (“**regulatory requirements**”), as well as compliance-related internal policies and procedures, and ethical standards expected by regulators, customers, investors, employees and other stakeholders. Compliance Risk includes Regulatory Compliance Risk, Conduct Risk, and Privacy Risk.

As a global organization, with operations in numerous jurisdictions world-wide, the Issuer is subject to (and must comply with) various regulatory requirements established by governments, regulators and self-regulating bodies. In a world of increasingly complex and evolving regulatory requirements and escalating enforcement activity, the Issuer must keep pace with regulatory expectations as well as accepted industry best practices and ethical standards across its global footprint. Although the Issuer continually monitors and evaluates the potential impact of regulatory developments to assess the impact on its businesses and to implement any necessary changes, regulators and private parties may challenge our compliance. Failure to comply with legal and regulatory requirements may result in fines, penalties, litigation, regulatory sanctions, enforcement actions and limitations or prohibitions from engaging in business activities, all of which may negatively impact the Issuer's financial performance, the execution of its business strategy and its reputation. The scope of compliance requirements and the associated cost for the Issuer are increasing as well with evolving regulatory expectations such as cyber security, data risk, consumer protection and privacy, model risk, third-party risk and operational resilience. This focus could lead to more regulatory or other enforcement actions.

The Issuer continues to monitor changes in regulatory guidance and continue to assess the impact of new regulations across its operating footprint and the credit life cycle.

(viii) Environmental, Social and Governance Risk.

Environmental, Social and Governance (ESG) risk refers to the possibility that environmental, social and governance concerns related to the Issuer's conduct, business practices or relationships could result in adverse impacts to the Issuer.

The Issuer is exposed to ESG risks due to both its internal operations and its business activities. The Issuer considers Environmental Risk to be the potential adverse impacts to a business due to the loss of, or damage to the natural environment and/or biodiversity, such as land, water, plants, animals, natural resources, ecosystems, and the atmosphere. The Issuer considers the physical and transition risks associated with climate change to be a component of Environmental Risk.

Social Risk is defined to be the potential adverse impacts to a business that can arise due to the mismanagement of social considerations that can cause actual or perceived negative impacts on people and communities. Social considerations include, but are not limited to, human rights (including human trafficking and modern slavery); Indigenous rights; labour standards and working conditions; diversity, equity, and inclusion; accessibility; community health, safety, and security; disadvantaged and vulnerable groups; cultural property and heritage; and land acquisition and involuntary resettlement. The Issuer's high-level approach to respecting and promoting human rights are communicated in the Code of Conduct and in the Global Human Rights Statement.

Corporate governance refers to the oversight mechanisms and the way in which the Issuer is governed. It encompasses the Issuer's policies and processes, how decisions are made, and how it deals with the various interests of, and relationships with, its many stakeholders, including shareholders, customers, employees, regulators, and the broader community. Governance Risk refers to the adverse impacts to a business that can arise because of poor or ineffective corporate governance mechanisms and controls.

There is an increasing expectation by various stakeholders of the Issuer to address social and environmental challenges (including climate change, human rights, racism, and inequality) and to demonstrate exemplary governance in managing ESG risk. An inability to manage this risk can result in higher cost of capital, funding, regulatory compliance and disclosures. Under current laws, making exaggerated or misleading

sustainability claims or "Greenwashing" creates legal and reputational risks. Severe weather can damage the Issuer's properties and disrupt its own operations and those of its customers, negatively impacting profitability.

(ix) Data Risk.

Data risk is the exposure to the adverse financial and non-financial consequences (e.g., revenue loss, reputational risk, regulatory risk, suboptimal management decisions) caused by mismanagement, misunderstanding or misuse of the Issuer's data assets. This risk may arise from a lack of data risk awareness; insufficient data risk oversight, governance and controls; inadequate data management and poor data quality; inferior data security and protection; and inappropriate, unintended or unethical data usage.

Data is considered one of the Issuer's most strategic assets and the volume, value and type of data the Issuer handles has exponentially increased in recent years. Enhanced rigor towards data management is a concentrated focus for the Issuer with the increase in regulatory demands. Data is produced and consumed by different business lines and geographies of the Issuer. Failure by the Issuer to manage such data in an effective, collaborative and holistic way could adversely affect, the Issuer's reputation, regulatory compliance and financial performance and condition.

(x) Model Risk.

Model risk is the risk of adverse financial (e.g., capital, losses, revenue) and reputational consequences arising from the design, development, implementation and/or use of a model. It can originate from inappropriate specification; incorrect parameter estimates; flawed hypotheses and/or assumptions; mathematical computation errors; inaccurate, inappropriate or incomplete data; inappropriate, improper or unintended usage; and inadequate monitoring and/or controls.

The Model Risk Management Framework outlines the Issuer's approach for effective governance and oversight of model risk consistent with the policies and processes outlined in the Issuer's Model Risk Management Policy (MRMP). The MRMP describes the overarching principles, policies, and procedures that provide the framework for managing model risk. The MRMP also clearly defines roles and responsibilities for key stakeholders involved in the model risk management cycle.

These cover all stages of the model risk management cycle, including development, independent pre-implementation review, approval and post-implementation review. All models, whether developed by the Issuer or vendor-supplied, that meet the Issuer's model definition are covered by this Policy.

Prior to the implementation of new risk models, rigorous validation and testing is conducted. Validation is conducted when the model is initially developed and when any significant changes are made to the model. The models are also subject to ongoing validation, the frequency of which is determined by model risk ratings. Models may also be triggered for earlier revalidation when there have been significant structural changes in the market or changes to the composition of the portfolio.

Model risk continues to receive increasing regulatory focus given growing adoption of analytics-driven insights across financial institutions. Regulatory guidelines for model risk set out expectations for the establishment of an enterprise-wide risk management framework, including policies and procedures to identify, assess and manage the risks inherent in any model. The Issuer proactively monitors and manages the risks associated with the development and use of models. It has an enterprise-wide model risk management policy in place, supported by appropriate processes and procedures, that support the identification and management of material risks associated with models. The Issuer also continues to enhance model risk governance practices, processes and controls to effectively monitor and mitigate risks. However, failure to properly manage such risk could adversely impact the Issuer's financial performance, position and reputation.

(xi) Reputational Risk.

Reputational risk is the risk that negative publicity or stakeholder sentiment regarding the Issuer's conduct, business practices or associations, whether true or not, will adversely affect its revenues, operations or customer base, or require costly litigation or other defensive measures.

The Issuer has an Enterprise Reputational Risk Policy, as well as policies and procedures for managing suitability risk, and reputational and legal risk related to structured finance transactions. Reputational risk is managed and controlled by the Scotiabank Code of Conduct, governance practices and risk management programs, policies, procedures and training. All directors, officers and employees have a responsibility to conduct their activities in accordance with the Scotiabank Code of Conduct, and in a manner that minimizes reputational risk. The activities of the Legal; Global Tax; Corporate Secretary; Global Communications; Financial Crimes Risk Management; Global Compliance and Global Risk Management departments, as well as the Reputational Risk Committee, are particularly oriented to the management of reputational risk.

Negative publicity about an institution's business practices may involve any aspect of its operations, but usually relates to questions of business ethics and integrity, or quality of products and services. Such negative publicity has an impact on the Issuer's brand and reputation. Negative publicity and related reputational risk frequently arise as a by-product of some other kind of risk management control failure such as compliance and operational risks. In some cases, reputational risk can arise through no direct fault of an institution, but indirectly as a ripple-effect of an association or problems arising within the industry or external environment.

Damage to the Issuer's reputation can result in reduced share price and market capitalization, increased cost of capital, loss of strategic flexibility, inability to enter or expand into markets, loss of client loyalty and business, or regulatory fines and penalties. The sources of reputation risk are widespread; risk to the Issuer's reputation can occur in connection with credit, regulatory, legal and operational risks. The Issuer can also experience reputation risk from a failure to maintain an effective control environment, exhibit good conduct, or have strong risk culture practices, all of which may have a negative impact on the Issuer's reputation, financial performance and condition.

(xii) Strategic Risk.

Strategic risk is the risk that the enterprise, business lines or corporate functions of the Issuer will make strategic choices that are ineffective or insufficiently resilient to changes in the business environment, or poorly execute such strategies. The Board is ultimately responsible for oversight of strategic risk, by ensuring a robust strategic planning process and approving, on an annual basis, the strategic plan for the Issuer. The Annual Strategy Report to the Board of Directors considers linkages between the Issuer's Enterprise Risk Appetite Framework with the enterprise strategy, business line strategies and how the corporate functions support the Business Lines. The strategic planning process is managed by Enterprise Strategy. The execution and evaluation of strategic plans is a fundamental element of the Risk Management Framework. On an ongoing basis, Heads of Business Lines and Control Functions identify, manage, and assess the internal and external risks that could impede achievement of, or progress of, strategic objectives. The executive management team regularly meets to evaluate the effectiveness of the Issuer's strategic plan, and consider what amendments, if any, are required. The Issuer's ability to execute on its objectives and strategic goals will influence its financial performance. Despite the processes in place to manage strategic risk, if the Issuer is unable to successfully implement selected strategies or related plans and decisions, if the Issuer makes inappropriate strategic choices or if the Issuer makes a change to its strategic goals, its financial performance, condition and prospects could be adversely affected.

1.2. Emerging and other risks that could impact future results.

The Issuer is exposed to a variety of emerging and other risks that can potentially adversely affect the Issuer's business strategies, financial performance, and reputation.

(i) Geopolitical risks and tensions

Geopolitical risks including trade tensions could affect volatility in foreign exchange and capital markets globally. This affects all participants in these markets. In the short run, a market shock could potentially impact the Issuer's trading and non-trading market activities and revenues. Over a longer period of time, the more broadly based macroeconomic effects could potentially impact the Issuer's exposures to customers and market segments impacted by those shocks.

Geopolitical risks may give rise to increased strategic and business risk for the Issuer. This includes concerns over the operational and financial impacts of a volatile global environment, such as trade disputes in Asia, sanctions over the Russian conflict, and political changes in Latin America. The escalations of trade disruptions over the past few years are calling into question the vision of a globalized economy with some

government officials pushing to implement policies encouraging companies to spread manufacturing within a group of ‘like-minded’ nations to ensure uninterrupted and diversified access to raw materials, technologies, or products. While such policies seek to mitigate the economic cost associated with geopolitical risk, such measures may paradoxically result in higher cost of capital deployment or more inefficient use of capital allocation. The scope and intensity of geopolitical risk events are difficult to predict.

(ii) Macroeconomic Uncertainty

(a) The Issuer’s earnings are affected by the monetary policies of the Bank of Canada and the Federal Reserve Board.

The monetary policies of the Bank of Canada and the Federal Reserve Board in the United States, as well as other interventions in capital markets, have an impact on the Issuer’s income. The general level of interest rates may impact the Issuer’s profitability because interest rate fluctuations affect the spread between interest paid on deposits and interest earned on loans, thereby affecting the Issuer’s net income.

Furthermore, after a period of low interest rates, Canadians have increased household borrowing at a pace that exceeded their income growth. Canadian household indebtedness and the household debt service ratio are nearing historic highs. Household savings are at record lows leaving little margin to sustain consumption if the macro-economic outlook proves more negative. As a result, higher interest rates could have an adverse impact on consumers’ ability to service their debt, leading to increased risk of loan losses for financial institutions that could have a negative effect on the Issuer’s results, financial condition and prospects. The Issuer has no control over changes in monetary policies or capital market conditions, and therefore cannot forecast or anticipate them systematically.

(b) Management of the Issuer choose certain accounting policies and methods for reporting the Issuer’s financial condition and results of operations.

The policies and methods chosen may require management to make estimates or rely on assumptions that impact the reported results. Subsequent to reporting, such estimates and assumptions may require revision, which may materially adversely affect the Issuer results of operations and financial condition.

From November 1, 2011, the Issuer’s financial condition and results of operations for interim and annual reports have been reported using accounting policies and methods prescribed by the International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board. For previous years, the Issuer’s financial condition and results of operations have been reported using accounting policies and methods prescribed by Part V of the Handbook of the Chartered Professional Accountants – Canada – Pre-Changeover Accounting Standards (Canadian GAAP). Effective November 1, 2017, the Issuer early adopted the International Financial Reporting Standard (IFRS) 9, Financial Instruments, but did not restate comparative periods, as provided by IFRS 9.

As detailed in the section entitled “Controls and Accounting Policies – Critical Accounting Policies and Estimates” on pages 110 to 114 of the Issuer’s 2022 Annual Report, incorporated by reference in this Prospectus, certain accounting policies have been identified as being “critical” to the presentation of the Issuer’s financial condition and results of operations as they (i) require management to make particularly subjective and/or complex judgments and estimates about matters that are inherently uncertain and (ii) carry the likelihood that materially different amounts could be reported under different conditions or using different assumptions and estimates. The reporting of such materially different amounts could materially and adversely affect the Issuer’s results of operations or reported financial condition. These critical accounting policies and estimates relate to the determination of the Issuer’s allowance for credit losses, the determination of the fair value of financial instruments and impairment of investment securities, the cost of employee benefits, the provision for corporate income taxes, whether or not structured entities should be consolidated, assessment of impairment of goodwill, indefinite life intangible assets and equity provisions, litigation and other off-balance sheet credit risks.

(c) Global inflation may impact customers’ ability to service debt.

Global inflation, exacerbated by supply chain issues and geopolitical uncertainties, are expected to keep central banks aggressive in their attempts to mitigate pricing pressures. With interest rates now in restrictive territory and market sentiment deteriorating, the risk of a global recession is increasing. Rapidly rising interest

rates and consumer prices, combined with wages that are failing to keep pace with the cost of living, may leave many households vulnerable and affect some customers' ability to service debt.

(iii) Talent Attraction and Retention.

Recruiting and retention challenges continue as labour markets remain tight and competitive pressure translates into higher compensation demands. As well, companies face the task of ensuring risk culture and conduct remains robust and consistent in the face of increased employee turnover and new flexible working arrangements. The inability to attract or retain skilled staff can negatively impact the Issuer's business objectives and operational efficiencies.

B. Risks Relating to the Notes

1. Risks applicable to Bail-inable Notes

(i) Bail-inable Notes will be subject to risks, including non-payment in full or conversion in whole or in part – by means of a transaction or series of transactions and in one or more steps – into common shares of the Issuer or any of its affiliates, under Canadian bank resolution powers.

Notes that are Bail-inable Notes are subject to conversion in whole or in part – by means of a transaction or series of transactions and in one or more steps – into common shares of the Issuer or any of its affiliates under subsection 39.2(2.3) of the CDIC Act and to variation or extinguishment in consequence, and subject to the application of the laws of the Province of Ontario and the federal laws of Canada applicable therein in respect of the operation of the CDIC Act with respect to the Bail-inable Notes. Notwithstanding any other terms of the Issuer's liability, any other law that governs the Issuer's liability and any other agreement, arrangement or understanding between the parties with respect to the Issuer's liability, each holder or beneficial owner of an interest in the Bail-inable Notes is deemed to be bound by the laws of the Province of Ontario and the federal laws of Canada applicable therein in respect of the operation of the CDIC Act with respect to the Bail-inable Notes and is deemed to attorn to the jurisdiction of the courts in the Province of Ontario in Canada.

Certain provisions of and regulations under the *Bank Act* (Canada) (the "**Bank Act**"), the CDIC Act and certain other Canadian federal statutes pertaining to banks (collectively, the "**Bail-in Regime**"), provide for a bank recapitalization regime for banks designated by the Superintendent as domestic systemically important banks ("**D-SIBs**"), which include the Issuer.

The expressed objectives of the Bail-in Regime include reducing government and taxpayer exposure in the unlikely event of a failure of a D-SIB, reducing the likelihood of such a failure by increasing market discipline and reinforcing that bank shareholders and creditors are responsible for the D-SIBs' risks and not taxpayers and preserving financial stability by empowering the CDIC, Canada's resolution authority, to quickly restore a failed D-SIB to viability and allow it to remain open and operating, even where the D-SIB has experienced severe losses.

Under the CDIC Act, in circumstances where the Superintendent is of the opinion that the Issuer has ceased, or is about to cease, to be viable and viability cannot be restored or preserved by exercise of the Superintendent's powers under the *Bank Act* (Canada), the Superintendent, after providing the Issuer with a reasonable opportunity to make representations, is required to provide a report to CDIC. Following receipt of the Superintendent's report, CDIC may request the Minister of Finance for Canada (the "**Minister of Finance**") to recommend that the Governor in Council (*Canada*) make an Order (as defined below) and, if the Minister of Finance is of the opinion that it is in the public interest to do so, the Minister of Finance may recommend that the Governor in Council (*Canada*) make, and on such recommendation, the Governor in Council (*Canada*) may make, one or more Orders including a Conversion Order (see "*Risks related to the Notes generally – Canadian bank resolution powers confer substantial powers on Canadian authorities designed to enable them to take a range of actions in relation to the Issuer where a determination is made that the Issuer has ceased, or is about to cease, to be viable and such viability cannot be restored or preserved, which if taken could result in holders or beneficial owners of Notes being exposed to losses*").

Upon the making of a Conversion Order, prescribed shares and liabilities under the Bail-in Regime that are subject to that Conversion Order will, to the extent converted, be converted into common shares of the Issuer or any of its affiliates, as determined by CDIC (a "**Bail-in Conversion**"). Subject to certain exceptions discussed below, the Bail-in Regime provides that senior debt issued on or after September 23, 2018, with an initial or

amended term to maturity (including explicit or embedded options) greater than 400 days, that is unsecured or partially secured and that has been assigned a CUSIP or ISIN or similar identification number are subject to a Bail-in Conversion. Shares, other than common shares, and subordinated debt of the Issuer will also be subject to a Bail-in Conversion, unless they are non-viability contingent capital. All Notes that are subject to Bail-in Conversion will be identified as Bail-inable Notes in the applicable Final Terms (“**Bail-inable Notes**”).

Covered bonds, derivatives and certain structured notes (as such term is used under the Bail-in Regime) are expressly excluded from a Bail-in Conversion. To the extent that any Notes constitute structured notes (as such term is used under the Bail-in Regime) they will not be Bail-inable Notes and will not be identified as Bail-inable Notes in the applicable Final Terms. As a result, claims of some creditors whose claims would otherwise rank equally with those of the Noteholders of Bail-inable Notes would be excluded from a Bail-in Conversion and thus the holders and beneficial owners of Bail-inable Notes will have to absorb losses ahead of these other creditors as a result of the Bail-in Conversion while other creditors may not be exposed to losses.

If the CDIC were to take action under the Canadian bank resolution powers with respect to the Issuer, this could result in holders or beneficial owners of Bail-inable Notes being exposed to conversion of the Bail-inable Notes in whole or in part. Upon a Bail-in Conversion, the holders of Bail-inable Notes that are converted will be obligated to accept the common shares of the Issuer or any of its affiliates into which such Bail-inable Notes, or any portion thereof, are converted even if such holders do not at the time consider such common shares to be an appropriate investment for them, and despite any change in the Issuer or any of its affiliates or the fact that such common shares are issued by an affiliate of the Issuer or any disruption to or lack of a market for such common shares or disruption to capital markets generally. The terms and conditions of the Bail-in Conversion will be determined by CDIC in accordance with and subject to certain requirements discussed below (see “(iv) *The number of common shares to be issued in connection with, and the number of common shares that will be outstanding following, a Bail-in Conversion are unknown. It is also unknown whether the shares to be issued will be those of the Issuer or one of its affiliates.*” below). See also “*Risks related to Notes generally - Investors who hold less than the minimum Specified Denomination (including after a partial Bail-in Conversion or any other resolution action) may be unable to sell their Notes and may be adversely affected if definitive Notes are subsequently required to be issued*” below for a risk of partial conversions.

As a result, Noteholders of Bail-inable Notes should consider the risk that they may lose all or part of their investment, plus any accrued interest or additional amounts, if CDIC were to take action under the Canadian bank resolution powers, including the Bail-in Regime, and that any remaining outstanding Notes, or common shares of the Issuer or any of its affiliates into which Bail-inable Notes are converted, may be of little value at the time of a Bail-in Conversion and thereafter.

(ii) *Bail-inable Notes will provide only limited acceleration and enforcement rights, and will include other provisions intended to qualify such Notes as TLAC.*

In connection with the Bail-in Regime, the Office of the Superintendent of Financial Institutions’ (“OSFI”) guideline as interpreted by the Superintendent (the “**TLAC Guideline**”) on Total Loss Absorbing Capacity (“TLAC”) applies to and establishes standards for D-SIBs, including the Issuer. Under the TLAC Guideline, beginning November 1, 2021, the Issuer is required to maintain a minimum capacity to absorb losses composed of unsecured external long-term debt that meets the prescribed criteria or regulatory capital instruments to support recapitalization in the event of a failure. Bail-inable Notes and regulatory capital instruments that meet the prescribed criteria will constitute TLAC of the Issuer.

In order to comply with the TLAC Guideline, Bail-inable Notes must provide for terms and conditions necessary to meet the prescribed criteria and qualify at their issuance as TLAC instruments of the Issuer under the TLAC Guideline. Those criteria include the following:

- the Issuer cannot directly or indirectly have provided financing to any person for the express purpose of investing in the Bail-inable Notes;
- the Bail-inable Notes are not subject to set-off or netting rights;
- the Bail-inable Notes must not provide rights to accelerate repayment of principal or interest payments outside of bankruptcy, insolvency, wind-up or liquidation, except that events of default relating to the non-payment of scheduled principal and/or interest payments will be

permitted where they are subject to a cure period of no less than 30 business days and clearly disclose to investors that: (i) acceleration is only permitted where an Order (as defined below) has not been made in respect of the Issuer; and (ii) notwithstanding any acceleration, the instrument could still be subject to a Bail-in Conversion prior to its repayment;

- the Bail-inable Notes may be redeemed or purchased for cancellation (as applicable) only at the initiative of the Issuer and, where the redemption or purchase would lead to a breach of the Issuer's minimum TLAC requirements, that redemption or purchase would be subject to the prior approval of the Superintendent;
- the Bail-inable Notes do not have credit-sensitive dividend or coupon features that are reset periodically based in whole or in part on the Issuer's credit standing; and
- where an amendment or variance of the Bail-inable Notes' terms and conditions would affect their recognition as TLAC, such amendment or variance will only be permitted with the prior approval of the Superintendent.

As a result, the terms of the Bail-inable Notes provide that acceleration will only be permitted (i) if the Issuer defaults in the payment of the principal or interest for a period of more than 30 business days, or (ii) certain bankruptcy, insolvency or reorganization events occur. Noteholders and beneficial owners of Bail-inable Notes may only exercise, or direct the exercise of, such rights in respect of Bail-inable Notes where an Order has not been made under Canadian bank resolution powers pursuant to subsection 39.13(1) of the CDIC Act in respect of the Issuer. Notwithstanding the exercise of those rights, Bail-inable Notes will continue to be subject to Bail-in Conversion until repaid in full.

The terms of the Bail-inable Notes also provide that Noteholders or beneficial owners of Bail-inable Notes will not be entitled to exercise, or direct the exercise of, any set-off or netting rights with respect to Bail-inable Notes. In addition, where an amendment, modification or other variance that can be made to the Bail-inable Notes would affect the recognition of the Bail-inable Notes by the Superintendent as TLAC, that amendment, modification or variance will require the prior approval of the Superintendent.

(iii) The circumstances surrounding a Bail-in Conversion are unpredictable and can be expected to have an adverse effect on the market price of Bail-inable Notes.

The decision as to whether the Issuer has ceased, or is about to cease, to be viable is a subjective determination by the Superintendent that is outside the control of the Issuer. Upon a Bail-in Conversion, the interests of depositors and holders of liabilities and securities of the Issuer that are not converted will effectively all rank in priority to the portion of Bail-inable Notes that are converted. In addition, except as provided for under the compensation process, the rights of a Noteholders in respect of the Bail-inable Notes that have been converted will rank on parity with other holders of common shares of the Issuer (or, as applicable, common shares of the affiliate whose common shares are issued on the Bail-in Conversion).

There is no limitation on the type of Order that may be made where it has been determined that the Issuer has ceased, or is about to cease, to be viable. As a result, Noteholders holding Bail-inable Notes may be exposed to losses through the use of Canadian bank resolution powers other than a Conversion Order or in liquidation.

Because of the uncertainty regarding when and whether an Order will be made and the type of Order that may be made, it will be difficult to predict when, if at all, Bail-inable Notes could be converted into common shares of the Issuer or any of its affiliates and there is not likely to be any advance notice of an Order. As a result of this uncertainty, trading behaviour in respect of the Bail-inable Notes may not follow trading behaviour associated with convertible or exchangeable securities or, in circumstances where the Issuer is trending towards ceasing to be viable, other senior debt. Any indication, whether real or perceived, that the Issuer is trending towards ceasing to be viable can be expected to have an adverse effect on the market price of the Bail-inable Notes. Therefore, in those circumstances, Noteholders holding Bail-inable Notes may not be able to sell their Bail-inable Notes easily or at prices comparable to those of senior debt securities not subject to Bail-in Conversion.

(iv) The number of common shares to be issued in connection with, and the number of common shares that will be outstanding following, a Bail-in Conversion are unknown. It is also unknown whether the shares to be issued will be those of the Issuer or one of its affiliates.

Under the Bail-in Regime there is no fixed and pre-determined contractual conversion ratio for the conversion of the Bail-inable Notes, or other shares or liabilities of the Issuer that are subject to a Bail-in Conversion, into common shares of the Issuer or any of its affiliates nor are there specific requirements regarding whether liabilities subject to a Bail-in Conversion are converted into common shares of the Issuer or any of its affiliates. CDIC determines the timing of the Bail-in Conversion, the portion of bail-inable shares and liabilities to be converted and the terms and conditions of the Bail-in Conversion, subject to parameters set out in the Bail-in Regime. Those parameters include that:

- in carrying out a Bail-in Conversion, CDIC must take into consideration the requirement in the *Bank Act* (Canada) for banks to maintain adequate capital;
- CDIC must use its best efforts to ensure that shares and liabilities subject to a Bail-in Conversion are only converted after all subordinate ranking shares and liabilities that are subject to a Bail-in Conversion and any subordinate non-viability contingent capital instruments have been previously converted or are converted during the same restructuring period;
- CDIC must use its best efforts to ensure that the converted part of the liquidation entitlement of a share subject to a Bail-in Conversion, or the converted part of the principal amount and accrued and unpaid interest of a liability subject to a Bail-in Conversion, is converted on a pro rata basis for all shares or liabilities subject to a Bail-in Conversion of equal rank that are converted during the same restructuring period;
- holders of shares and liabilities that are subject to a Bail-in Conversion must receive a greater number of common shares per dollar of the converted part of the liquidation entitlement of their shares, or the converted part of the principal amount and accrued and unpaid interest of their liabilities, than holders of any subordinate shares or liabilities subject to a Bail-in Conversion that are converted during the same restructuring period or of any subordinate non-viability contingent capital that is converted during the same restructuring period;
- holders of shares or liabilities subject to a Bail-in Conversion of equal rank that are converted during the same restructuring period must receive the same number of common shares per dollar of the converted part of the liquidation entitlement of their shares or the converted part of the principal amount and accrued and unpaid interest of their liabilities; and
- holders of shares or liabilities subject to a Bail-in Conversion must receive, if any non-viability contingent capital of equal rank to the shares or liabilities is converted during the same restructuring period, a number of common shares per dollar of the converted part of the liquidation entitlement of their shares, or the converted part of the principal amount and accrued and unpaid interest of their liabilities, that is equal to the largest number of common shares received by any holder of the non-viability contingent capital per dollar of that capital.

As a result, it is not possible to anticipate the potential number of common shares of the Issuer or its affiliates that would be issued in respect of any Bail-inable Notes converted on a Bail-in Conversion, the aggregate number of such common shares that will be outstanding following the Bail-in Conversion, the effect of dilution on the common shares received in respect of any Bail-inable Notes converted on a Bail-in Conversion from other issuances of common shares of the same issuer under or in connection with an Order or related actions in respect of the Issuer or its affiliates or the value of any common shares received by the holders of converted Bail-inable Notes, which could be significantly less than the amount which may otherwise have been due under the converted Bail-inable Notes. It is also not possible to anticipate whether shares of the Issuer or shares of its affiliates would be issued in a Bail-in Conversion. There may be an illiquid market, or no market at all, in the common shares issued upon a Bail-in Conversion and such Noteholders may not be able to sell those common shares at a price equal to the value of the converted Bail-inable Notes and as a result may suffer significant losses that may not be offset by compensation, if any, received as part of the compensation process. Fluctuations in exchange rates may exacerbate such losses.

(v) ***By acquiring Bail-inable Notes, each Noteholder or beneficial owner of those Bail-inable Notes is deemed to agree to be bound by a Bail-in Conversion and so will have no further rights in respect of its Bail-inable Notes to the extent those Bail-inable Notes are converted in a Bail-in Conversion, other than those provided under the Bail-in Regime. Any potential compensation to be provided through the compensation process under the CDIC Act is unknown.***

The CDIC Act provides for a compensation process for Noteholders holding Bail-inable Notes who immediately prior to the making of an Order, directly or through an intermediary, own Bail-inable Notes that are converted in a Bail-in Conversion. While this process applies to successors of such Noteholders it does not apply to assignees or transferees of the Noteholder following the making of the Order and does not apply if the amounts owing under the relevant Bail-inable Notes are paid in full.

Under the compensation process, the compensation to which such Noteholders are entitled is the difference, to the extent it is positive, between the estimated liquidation value and the estimated resolution value of the relevant Bail-inable Notes. The liquidation value is the estimated value the Bail-inable Noteholders would have received if an order under the WURA had been made in respect of the Issuer, as if no Order had been made and without taking into consideration any assistance, financial or otherwise, that is or may be provided to the Issuer, directly or indirectly, by CDIC, the Bank of Canada, the Government of Canada or a province of Canada, after any order to wind up the Issuer has been made.

The resolution value in respect of relevant Bail-inable Notes is the aggregate estimated value of the following: (a) the relevant Bail-inable Notes, if they are not held by CDIC and they are not converted, after the making of an Order, into common shares under a Bail-in Conversion; (b) common shares that are the result of a Bail-in Conversion after the making of an Order; (c) any dividend or interest payments made, after the making of the Order, with respect to the relevant Bail-inable Notes to any person other than CDIC; and (d) any other cash, securities or other rights or interests that are received or to be received with respect to the relevant Bail-inable Notes as a direct or indirect result of the making of the Order and any actions taken in furtherance of the Order, including from CDIC, the Issuer, the liquidator of the Issuer, if the Issuer is wound up, the liquidator of a CDIC subsidiary incorporated or acquired by order of the Governor in Council for the purposes of facilitating the acquisition, management or disposal of real property or other assets of the Issuer that CDIC may acquire as the result of its operations that is liquidated or the liquidator of a bridge institution if the bridge institution is wound up.

In connection with the compensation process, CDIC is required to estimate the liquidation value and the resolution value in respect of the portion of converted Bail-inable Notes and is required to consider the difference between the estimated day on which the liquidation value would be received and the estimated day on which the resolution value is, or would be, received.

CDIC must, within a reasonable period following a Bail-in Conversion, make an offer of compensation by notice to the relevant Noteholders that held Bail-inable Notes equal to, or in value estimated to be equal to, the amount of compensation to which such Noteholders are entitled or provide a notice stating that such Noteholders are not entitled to any compensation. In either case such notice is required to include certain prescribed information, including important information regarding the rights of such Noteholders to seek to object and have the compensation to which they are entitled determined by an assessor (a Canadian Federal Court judge) where holders of liabilities representing at least 10 per cent. of the principal amount and accrued and unpaid interest of the liabilities of the same class object to the offer or absence of compensation. The period for objecting is limited (45 days following the day on which a summary of the notice is published in the *Canada Gazette*) and failure by Noteholders holding a sufficient principal amount plus accrued and unpaid interest of affected Bail-inable Notes to object within the prescribed period will result in the loss of any ability to object to the offered compensation or absence of compensation, as applicable. CDIC will pay each relevant Noteholder the offered compensation within 135 days after the date on which a summary of the notice is published in the *Canada Gazette* if the offer of compensation is accepted by the Noteholder, the Noteholder does not notify CDIC of acceptance or objection to the offer within the aforementioned 45-day period or the Noteholder objects to the offer but the 10 per cent. threshold described above is not met within the aforementioned 45-day period.

Where an assessor is appointed, the assessor could determine a different amount of compensation payable, which could either be higher or lower than the original amount. The assessor is required to provide Noteholders, whose compensation it determines, notice of its determination. The assessor's determination is final

and there are no further opportunities for review or appeal. CDIC will pay the relevant Noteholders the compensation amount determined by the assessor within 90 days of the assessor's notice.

By its acquisition of an interest in any Bail-inable Note, each Noteholder or beneficial owner of those Bail-inable Notes is deemed to agree to be bound by a Bail-in Conversion and so will have no further rights in respect of its Bail-inable Notes to the extent those Bail-inable Notes are converted in a Bail-in Conversion, other than those provided under the Bail-in Regime.

A similar compensation process to the one set out above applies, in certain circumstances, where as a result of CDIC's exercise of bank resolution powers, Notes are assigned to an entity which is then wound-up.

(vi) Following a Bail-in Conversion, Noteholders that held Bail-inable Notes that have been converted will no longer have rights against the Issuer as creditors.

Upon a Bail-in Conversion, the rights, terms and conditions of the portion of Bail-inable Notes that are converted, including with respect to priority and rights on liquidation, will no longer apply as the portion of converted Bail-inable Notes will have been converted on a full and permanent basis into common shares of the Issuer or any of its affiliates ranking on parity with all other outstanding common shares of that entity. If a Bail-in Conversion occurs, then the interest of the depositors, other creditors and holders of liabilities of the Issuer not bailed-in as a result of the Bail-in Conversion will all rank in priority to those common shares.

Given the nature of the Bail-in Conversion, Noteholders or beneficial owners of Bail-inable Notes that are converted will become Noteholders or beneficial owners of common shares at a time when the Issuer's and potentially its affiliates' financial condition has deteriorated. They may also become Noteholders or beneficial owners of common shares at a time when the relevant entity may have received or may receive a capital injection or equivalent support with terms that may rank in priority to the common shares issued in a Bail-in Conversion with respect to the payment of dividends, rights on liquidation or other terms although there is no certainty that any such capital injection or support will be forthcoming.

(vii) Bail-inable Notes may be redeemed after the occurrence of a TLAC Disqualification Event

If the applicable Final Terms for the Notes of such Series specify that a TLAC Disqualification Event Call is applicable, the Issuer may, at its option with the prior approval of the Superintendent, redeem all, but not less than all of the outstanding Bail-inable Notes of that Series within 90 days of the occurrence of the TLAC Disqualification Event (as defined in the Conditions) at the Early Redemption Amount specified in the applicable Final Terms, together (if applicable) with any accrued but unpaid interest to (but excluding) the date fixed for redemption. If the Issuer redeems the outstanding Bail-inable Notes of that Series, holders of such Bail-inable Notes may not be able to reinvest the proceeds from such redemption in securities offering a comparable anticipated rate of return. Additionally, although the terms of each Series of Bail-inable Notes are anticipated to be established to satisfy the TLAC criteria within the meaning of the TLAC Guideline to which the Issuer is subject, it is possible that any Series of Bail-inable Notes may not satisfy the criteria in future rulemaking or interpretations.

2. Risks related to the structure of a particular issue of Notes

A wide range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. Set out below are risks relating to Notes with certain features.

(i) Notes subject to optional redemption by the Issuer.

The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential Investors should consider reinvestment risk in light of other investments available at that time.

An optional redemption feature of Notes is likely to limit their market value and could reduce secondary market liquidity. During any period when the Issuer may elect to redeem Notes, the market value of those Notes

generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

(ii) Reference Item Linked Notes

The Issuer may issue Notes that (i) bear interest and/or provide that the redemption amount is calculated by reference to one or more specified underlying assets or bases of reference such as indices (including equity or commodity), equities, fund shares or units, commodities or the credit of one or more underlying entities (each such underlying asset or basis of reference, a “**Reference Item**” and any Reference Item linked Notes, “**Reference Item Linked Notes**”); (ii) be redeemed by physical delivery (“**Physical Delivery Notes**”) of specified asset(s), (iii) reference any combination of the foregoing; and/or (iv) have such other terms and conditions as specified in the applicable Final Terms. An investment in such Notes entails significant risks that are not associated with similar investments in a conventional debt or equity securities and in some circumstances the value of the Notes and/or the amount paid at maturity, exercise or redemption (as applicable) may be less than the purchase price amount of the Notes and may be zero in which case an investor may lose some or all of the amount it invested in the Notes. Potential investors should be aware that:

- (a) the market price of such Notes may be volatile and the market price of the Notes at any time is likely to be affected primarily by changes in the level of the Reference Item to which the Notes are linked. It is impossible to predict how the level of the Reference Item will vary over time;
- (b) they may receive no interest or they may receive interest at a rate that is less than that payable on a conventional fixed rate or floating rate debt security issued at the same time;
- (c) payment of principal, interest or other amounts may occur at a different time or in a different currency than expected;
- (d) they may lose all or a substantial portion of their investment;
- (e) if the principal of and/or premium or other amount payable on such a Note is so indexed, the amount of principal and/or premium or other amount payable in respect thereof may be less than the original purchase price of such Note and less than the nominal or face amount of Notes, and the amount of principal and/or premium or other amount payable may even be zero;
- (f) investors should be willing to hold these Notes until the maturity date, redemption date or expiration date (as applicable) as the secondary market for such Notes may be limited or non-existent and if there is a limited secondary market then the lack of demand may reduce the market price at which Notes may be sold prior to maturity, redemption, settlement or expiration;
- (g) the market price will be affected by a number of factors independent of the creditworthiness of the Issuer and will depend on the value of the applicable Reference Item(s) as well as the volatility of the applicable Reference Item(s), the time remaining to the maturity, redemption or expiration of such Notes, the amount outstanding of such Notes, market interest rates, yield rates and the market for other types of related and unrelated financial instruments, where the Reference Item(s) are equity securities, the dividend rate on the Reference Item(s) and the financial results and prospects of the issuer of each Reference Item and where Notes are Credit Linked Notes, the credit of the reference entity;
- (h) a Reference Item may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other securities, funds or indices and may depend on a number of interrelated factors over which the Issuer has no control, including economic, financial and political events in one or more jurisdictions, including factors affecting capital markets generally and the stock exchange on which any Reference Item and/or obligation of the issuer of the Reference Item may be traded. Additionally, if the formula used to determine the amounts payable with respect to such Notes contains a multiplier or leverage factor, the effect of any change in the Reference Item(s) will be increased (or decreased if the multiplier or relevant factor is less than one) and this increase (or decrease) may be significant;
- (i) the timing of changes in a Reference Item(s) 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 Reference Item(s), the greater the effect on yield;
- (j) with respect to Equity Linked Notes, if such Notes are redeemable or settled (as applicable) either by payment of a cash amount or by delivery of the underlying securities in lieu thereof, there is no assurance that the value of the securities received will not be less than the purchase price of the Notes;
- (k) Notes are of limited maturity and, unlike direct investments in a share, index, fund, security, index, commodity or other asset, investors are not able to hold them beyond the maturity date,

- redemption date, settlement date or expiration date (as applicable) in the expectation of a recovery in the price of the underlying; and
- (1) the price at which an investor will be able to sell Notes prior to the maturity date, redemption date, settlement date or expiration date (as applicable) may be at a substantial discount to the market value of the Notes at the time they are issued depending on the performance of the Reference Item.

The historical experience of the relevant currencies, commodities, interest rates, equities, indices, funds or other financial variables should not be taken as an indication of future performance of such currencies, commodities, interest rates, equities, indices, funds or other financial variables during the term of any Note. Prospective investors should consult their own financial and legal advisors as to the risks entailed by an investment in such Notes and the suitability of such Notes in light of their particular circumstances.

Prospective investors in Reference Item Linked Notes should understand the risks of transactions involving such Reference Item Linked Notes and should reach an investment decision only after careful consideration, with their advisers, of the suitability of Reference Item Linked Notes in light of their particular financial circumstances, the information set forth herein and the information regarding the relevant Reference Item Linked Notes and the particular Reference Item(s) to which the value of, or payments in respect of, the relevant Reference Item Linked Notes may relate, as specified in the applicable Final Terms.

As the amount of interest payable periodically and/or amount payable at maturity, redemption or settlement (as applicable) may be linked to the performance of the Reference Item(s), an investor in such a Reference Item Linked Note must generally be correct about the direction, timing and magnitude of an anticipated change in the value of the Reference Item(s).

Where the applicable Final Terms specify one or more Reference Item(s), the relevant Reference Item Linked Notes will represent an investment linked to the economic performance of such Reference Item(s) and prospective investors should note that the return (if any) on their investment in such Reference Item Linked Notes will depend upon the performance of such Reference Item(s). Potential investors should also note that while the market value of Reference Item Linked Notes is linked to such Reference Item(s) and will be influenced (positively or negatively) by such Reference Item(s), any change may not be comparable and may be disproportionate. It is impossible to predict how the level of the relevant Reference Item(s) will vary over time. In contrast to a direct investment in the relevant Reference Item(s), Reference Item Linked Notes represent the right to receive payment or delivery, as the case may be, of the relevant cash amount and/or specified assets on the relevant maturity date, settlement date or redemption date (as applicable) as well as periodic payments of interest (if specified in the applicable Final Terms), all or some of which may be determined by reference to the performance of the relevant Reference Item(s). The applicable Final Terms will set out the provisions for the determination of any cash amount and/or specified assets and of any periodic interest.

PROSPECTIVE INVESTORS MUST REVIEW THE APPLICABLE FINAL TERMS TO ASCERTAIN WHAT THE RELEVANT REFERENCE ITEM(S) IS(ARE) AND TO SEE HOW ANY FINAL REDEMPTION AMOUNT, CASH SETTLEMENT AMOUNT OR ENTITLEMENT, AS THE CASE MAY BE, AND ANY PERIODIC INTEREST ARE DETERMINED AND WHEN ANY SUCH AMOUNTS ARE PAYABLE AND/OR DELIVERABLE, AS THE CASE MAY BE, BEFORE MAKING ANY DECISION TO PURCHASE ANY REFERENCE ITEM LINKED NOTES.

Fluctuations in the value and/or volatility of the relevant Reference Item(s) may affect the value of the relevant Reference Item Linked Notes. Investors in Reference Item Linked Notes may risk losing their entire investment if the value of the relevant Reference Item(s) does not move in the anticipated direction.

There is no return on Reference Item Linked Notes other than the potential payment or delivery, as the case may be, of the relevant cash amount and/or specified assets on the maturity date, redemption date or settlement date (as applicable) and payment of any periodic interest.

Other factors which may influence the market value of Reference Item Linked Notes include interest rates, potential dividend or interest payments (as applicable) in respect of the relevant Reference Item(s), changes in the method of calculating the level of the relevant Reference Item(s) from time to time and market expectations regarding the future performance of the relevant Reference Item(s), its composition and such Reference Item Linked Notes.

If any of the relevant Reference Item(s) is an index, the value of such Reference Item(s) on any day will reflect the value of its constituents on such day. Changes in the composition of such Reference Item(s) and factors (including those described above) which either affect or may affect the value of the constituents, will affect the value of such Reference Item(s) and therefore may affect the return on an investment in Reference Item Linked Notes.

The Issuer may issue several issues of Reference Item Linked Notes relating to particular Reference Item(s). However, no assurance can be given that the Issuer will issue any Reference Item Linked Notes other than the Reference Item Linked Notes to which the applicable Final Terms relate. At any given time, the number of Reference Item Linked Notes outstanding may be substantial. Reference Item Linked Notes provide opportunities for investment and pose risks to investors as a result of fluctuations in the value of the Reference Item(s) to which such Reference Item Linked Notes relate.

(iii) Movements in the Reference Item will affect the performance of the Notes

Movements in the level or price of the Reference Item may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices and the timing of changes in the relevant level or price of the Reference Item may affect the actual yield to investors, even if the average level is consistent with their expectations. In general, the earlier the change in the level of an inflation index or result of a formula, the greater the effect on yield.

(iv) Leverage will magnify the effect of changes in the Reference Item

If the Final Redemption Amount, Redemption Amount, Cash Settlement Amount or Entitlement, as the case may be, and any periodic interest payments are determined in conjunction with a multiplier greater than one or by reference to some other leverage factor, the effect of changes in the level or price of the Reference Item on the Final Redemption Amount, Redemption Amount, Cash Settlement Amount, Entitlement or interest payable will be increased.

(v) Market Disruption Event and Disrupted Day

If an issue of Notes includes provisions dealing with the occurrence of a market disruption event or a failure to open of an exchange or related exchange on a Valuation Date, an Averaging Date or a Pricing Date and the Calculation Agent determines that a market disruption event or such failure has occurred or exists on a Valuation Date, an Averaging Date or a Pricing Date, any consequential postponement of the Valuation Date, Averaging Date or a Pricing Date or any alternative provisions for valuation provided in any Notes may have an adverse effect on the value of such Notes.

(vi) The secondary market price of the Notes may be less than the Issue Price and/or the Offer Prices

Investors should note that, in certain circumstances immediately following the issue of the Notes, the secondary market price of the Notes may be less than the Issue Price and/or the Offer Price in the event that the Issue Price and/or the Offer Price included the fees to be paid to distributor(s).

(vii) In order to receive the Entitlement in respect of Physical Delivery Notes, Noteholders are required to deliver notices

In order to receive the Entitlement in respect of a Physical Delivery Note, the Noteholder must (1) duly deliver to the relevant clearing system and/or Paying Agents and/or Registrar, as specified in the Final Terms, a duly completed Asset Transfer Notice on or prior to the relevant time on the Cut-Off Date, and (2) pay the relevant Expenses.

(viii) In the case of Physical Delivery Notes, settlement may be delayed or made in cash if certain events arise

In the case of Physical Delivery Notes (other than Credit Linked Notes), if a Settlement Disruption Event occurs or exists on the Maturity Delivery Date, settlement will be postponed until the next date on which no Settlement Disruption Event occurs. The Issuer in these circumstances also has the right to pay the Disruption Cash Settlement Price in lieu of delivering the Entitlement. Such a determination may have an adverse effect on

the value of the relevant Notes. In addition if “Failure to Deliver due to Illiquidity” is specified as applying in the applicable Final Terms, and in the opinion of the Calculation Agent it is impossible or impracticable to deliver some or all of the Relevant Assets comprising the Entitlement when due as a result of illiquidity in the market for the Relevant Assets, the Issuer has the right to pay the Failure to Deliver Settlement Price in lieu of delivering those Relevant Assets.

(ix) Holders of Physical Delivery Notes must pay all Expenses relating to such Physical Delivery Notes

Holders of Physical Delivery Notes must pay all Expenses relating to such Physical Delivery Notes. As used in the Terms and Conditions, “Expenses” includes any applicable depositary charges, transaction or exercise charges, stamp duty, stamp duty reserve tax, issue, registration, securities transfer and/or other taxes or duties arising from the redemption, exercise and settlement (as applicable) of such Notes and/or the delivery of the Entitlement.

(x) The Issuer may have the right to vary settlement

If so indicated in the applicable Final Terms, the Issuer has an option to vary settlement in respect of the Notes. If exercised by the Issuer, this option will lead to Physical Delivery Notes being cash settled or Cash Settled Notes being physically settled. Exercise of such option may affect the value of the Notes or the amount received by an investor on settlement.

(xi) Noteholders have no claim against any Reference Item(s)

Owning Notes with payments and/or delivery of specified assets determined by reference to a Reference Item(s) is not the same as owning the Reference Item(s). A Note will not represent a claim against any Reference Item(s) and, in the event that the amount paid on redemption of the Notes is less than the purchase price of the Notes, a Noteholder will not have recourse under a Note to any Reference Item(s). Accordingly, the market value of such Notes may not have a direct relationship with the market price of the Reference Item(s) and changes in the market price of the Reference Item(s) may not result in a comparable change in the market value of the Notes. For example, the market value of such Notes may not increase even if the price of the Reference Item(s) increases. It is also possible for the price of the Reference Item(s) to increase while the market price of such Notes declines.

The amount paid or the value of the specified assets delivered by the Issuer on redemption, cancellation or settlement (as applicable) of such Notes may be less than the purchase price of the Notes, together with any accrued interest, and may in certain circumstances be zero.

(xii) Hedging and other potential conflicts of interest

The Issuer and/or one or more of its Affiliates may hedge the obligations under Reference Item Linked Notes by purchasing or selling the Reference Item(s) or other derivative instruments with returns linked to or related to changes in the value of the Reference Item(s) and may also adjust these hedges by, among other things, purchasing or selling the Reference Item(s) or other derivative instruments at any time and from time to time. Any of these hedging activities may affect the price of the Reference Item(s) and, therefore, the value of associated Reference Item Linked Notes. It is possible that the Issuer or one or more of its Affiliates could receive substantial returns from these hedging activities while the value of the Reference Item(s) may decline. However neither the Issuer nor any of its Affiliates will be obligated to hedge the Issuer’s exposure under Reference Item Linked Notes nor is there any assurance that any hedging transaction will be maintained or successful.

The Issuer or one or more of its Affiliates may also engage in trading in the Reference Item(s) on a regular basis as part of general broker-dealer and other businesses of the Issuer or its Affiliates, for proprietary accounts, for other accounts under management or to facilitate transactions for customers, including block transactions. Any of these activities could affect the price of the Reference Item(s) and, therefore, the value of the associated Reference Item Linked Notes. The Issuer or one or more of its Affiliates may also issue or underwrite other securities or financial or derivative instruments with returns linked or related to changes in the value of the Reference Item(s) and the availability of such competing products could adversely affect the value of the Reference Item Linked Notes.

The Calculation Agent for an issue of Notes is the agent of the Issuer and not an agent for the Holders. Where the Issuer acts as Calculation Agent or the Calculation Agent is an affiliate of the Issuer, potential conflicts

of interest may exist between the Calculation Agent and the Noteholders, including with respect to certain determinations and judgements that the Calculation Agent may make pursuant to the Conditions that may influence the amount receivable or specified assets deliverable upon redemption of the Notes. The Calculation Agent will make such determinations and adjustments as it deems appropriate, in accordance with the Conditions of the Notes. In making such determinations and adjustments, the Calculation Agent will be entitled to exercise substantial discretion and may be subject to conflicts of interest in exercising this discretion.

The Issuer and any relevant Dealer may, at the date hereof or any time hereafter, be in possession of information in relation to a Reference Item that is or may be material in the context of the Notes and may or may not be publicly available to Noteholders. There is no obligation on the Issuer or any Dealer(s) to disclose to Noteholders any such information.

(xiii) No pledge or holding of Reference Item(s)

Neither the Issuer nor any of its Affiliates will pledge or otherwise hold the Reference Item(s) or other derivative instruments for the benefit of Noteholders in order to enable Noteholders to exchange Reference Item Linked Notes for the associated Reference Item(s) or other derivative commitments under any circumstances. The sole entitlement of the Noteholders in respect of Reference Item Linked Notes is against the credit of the Issuer. Consequently, in the event of a bankruptcy, insolvency or liquidation of the Issuer, any of the Reference Item(s) or other derivative commitments owned by the Issuer or its Affiliates will be subject to the claims of the Issuer's creditors generally and will not be available specifically for the benefit of Holders.

(xiv) Certain considerations regarding hedging

Prospective investors intending to purchase Notes to hedge against the market risk associated with investing in a security (or basket of securities), index (or basket of indices), currency (or basket of currencies), commodity (or basket of commodities) or other asset or basis of reference which may be specified in the applicable Final Terms, should recognise the complexities of utilising Notes in this manner. For example, the value of the Notes may not exactly correlate with the value of the security (or basket of securities), index (or basket of indices), currency (or basket of currencies), commodity (or basket of commodities) or other asset or basis which may be specified in the applicable Final Terms. Due to fluctuating supply and demand for the Notes, there is no assurance that their value will correlate with movements of the security (or basket of securities), index (or basket of indices), currency (or basket of currencies), commodity (or basket of commodities) or other asset or basis which may be specified in the applicable Final Terms.

(xv) Protection Amount

If the Notes are specified in the applicable Final Terms as having a Protection Amount, such Protection Amount is only payable at maturity. If such Notes are redeemed before their scheduled maturity, they may return less than the Protection Amount or even zero.

Investors should note that certain Reference Item Linked Notes may not benefit from a Protection Amount and investors may receive less than the initial investment amount of the Notes and investors are exposed to full loss of their investment.

(xvi) Post-Issuance Information

The Issuer will not provide post-issuance information in relation to the relevant Reference Item unless otherwise indicated in the applicable Final Terms.

(xvii) Dual Currency Notes

The Issuer may issue Notes with principal or interest payable in one or more currencies which may be different from the currency in which the Notes are denominated. An investment in such Notes entails significant risks that are not associated with similar investments in a conventional debt or equity securities and in some circumstances the value of the Notes and/or the amount paid at maturity, exercise or redemption (as applicable) may be less than the purchase price amount of the Notes and may be zero in which case an investor may lose some or all of the amount it invested in the Notes. The market price of such Notes may be volatile and the market price of the Notes at any time is likely to be affected primarily by changes in the exchange rates of, and interest rates

related to, the currencies to which the Notes are linked. It is impossible to predict how the level of the exchange rates and interest rates will vary over time.

(xviii) Singapore tax risks

Certain Notes to be issued from time to time under the Programme during the period from the date of this Prospectus to December 31, 2028 may be intended to be qualifying debt securities (“**QDS**”) for the purposes of the Income Tax Act 1947 of Singapore (the “**ITA**”), subject to the fulfilment of certain conditions more particularly described in the section titled “*Certain Tax Legislation Affecting the Notes – Singapore*”.

However, there is no assurance that the conditions for QDS will be met or that such Notes would continue to enjoy the tax concessions for QDS should the relevant tax laws be amended or revoked at any time, or should the required conditions cease to be fulfilled, which could have an adverse impact on the tax position of Noteholders.

3. Risks relating to Specific Reference Item Linked Notes.

(i) Index Linked Notes

The Issuer may issue Notes where amounts payable are dependent upon the level, or changes in the level, of an index or a basket of indices (“**Index Linked Notes**”).

Potential investors in any such Notes should be aware that, depending on the terms of the Index Linked Notes (i) they may receive no or a limited amount of interest, (ii) payments may occur at a different time than expected and/or (iii) they may lose all or a substantial portion of their investment. In addition, movements in the level of the index or basket of indices may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices and the timing of changes in the relevant level of the index or indices may affect the actual yield to investors, even if the average level is consistent with their expectations. In general, the earlier the change in the level of an index or result of a formula, the greater the effect on yield.

Returns on Index Linked Notes may not reflect the return an investor would realise if it actually bought all securities comprised in the index and in the same proportion as the weighting of such securities in the index or, as the case may be, indices in an index basket and received the dividends paid on those securities because the closing index level or levels on any date may reflect the price of such securities without taking into account the value of dividends paid on those securities. Also, an investor in the Notes will not benefit from any voting rights or rights to receive cash dividends or other distributions or rights that it would have benefited from in case of direct investment in the securities.

The Calculation Agent may determine that an event giving rise to a Disrupted Day (as defined in the Conditions) has occurred at any relevant time. Any such determination may have an effect on the timing of valuation and consequently the value of the Notes and/or may delay applicable purchase payments or settlement. Prospective investors should review the Conditions and the applicable Final Terms to ascertain whether and how such provisions apply to the Notes.

The Index Sponsor of any relevant Index can add, delete or substitute the securities comprised in the Index or amend in any other way the methodology of the Index. Investors should be aware that those decisions by the Index Sponsor may adversely affect the value of the Notes (e.g. if a newly added company performs significantly worse or better than the company it replaces).

No Index Sponsor of any relevant Index has to consider interests of Noteholders in calculating and revising the Index.

If an Index Adjustment Event occurs, prospective investors should note that the Issuer may, in the case of Notes, redeem the Notes early at the Early Redemption Amount specified in the applicable Final Terms.

The market price of such Notes may be volatile and may be affected by the time remaining to the redemption or expiration date (as applicable) and the volatility of the level of the index or indices. The level of the index or indices may be affected by the economic, financial and political events in one or more jurisdictions, including the stock exchange(s) or quotation system(s) on which any securities comprising the index or indices may be traded.

(ii) Equity Linked Notes

The Issuer may issue Notes where the amounts payable are dependent upon the price of or changes in the price of an equity security or a basket of equity securities or where, depending on the price of or change in the price of an equity security or a basket of equity securities, on redemption the Issuer's obligation is to deliver specified assets ("**Equity Linked Notes**").

Potential investors in any such Notes should be aware that, depending on the terms of the Equity Linked Notes (i) they may receive no or a limited amount of interest, (ii) payment of any amounts or delivery of any specified assets may occur at a different time than expected and/or (iii) they may lose all or a substantial portion of their investment. In addition, movements in the price of the equity security or basket of equity securities may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices and the timing of changes in the relevant price of the equity security or equity securities may affect the actual yield to investors, even if the average level is consistent with their expectations. In general, the earlier the change in the price of the equity security or equity securities, the greater the effect on yield.

The Calculation Agent may determine that an event giving rise to a Disrupted Day has occurred at any relevant time. Any such determination may have an effect on the timing of valuation and consequently the value of the Notes and/or may delay any applicable redemption payments, or settlement. Prospective investors should review the Conditions and the applicable Final Terms to ascertain whether and how such provisions apply to the Notes.

If Potential Adjustment Event and/or De-listing and/or Merger Event and/or Nationalisation and/or Insolvency and/or Insolvency Filing and/or Tender Offer are specified as applying in the applicable Final Terms, prospective investors should note that the Notes will be subject to adjustment or may be redeemed at the Early Redemption Amount specified in the applicable Final Terms, taking into account any hedge costs.

In respect of Equity Linked Notes relating to an equity security or equity securities originally quoted, listed and/or dealt as of the Trade Date in a currency of a member state of the European Union that has not adopted the euro, if such equity security or equity securities is/are at any time after the Trade Date quoted, listed and/or dealt exclusively in euro on the relevant Exchange, prospective investors should note that the Calculation Agent will adjust any one or more of the terms of the Conditions and/or the applicable Final Terms as the Calculation Agent determines in its sole and absolute discretion to be appropriate to preserve the economic terms of the Notes. Prospective investors should also note that the Calculation Agent will make any conversion necessary for the purposes of any such adjustment as of the relevant Valuation Time at the official conversion rate, if any, or an appropriate mid-market spot rate of exchange determined by the Calculation Agent prevailing as of the relevant Valuation Time.

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

Equity Linked Notes do not represent a claim against or an investment in any equity issuer and Noteholders will not have any recourse against the equity issuer.

(iii) Potential exposure to risks of emerging markets

Where the terms and conditions of the Notes reference one or more emerging market Reference Item(s), investors of such Notes should be aware that the political and economic situation in countries with emerging economies or stock markets may be undergoing significant evolution and rapid development, and such countries may lack the social, political and economic stability characteristics of more developed countries, including a significant risk of currency value fluctuation. Such instability may result from, among other things, authoritarian governments, or military involvement in political and economic decision-making, including changes or attempted changes in governments through extra-constitutional means, popular unrest associated with demands for improved political, economic or social conditions; internal insurgencies; hostile relations with neighbouring countries; and ethnic, religious and racial disaffections or conflict. Certain of such countries may have in the past failed to recognise private property rights and have at times nationalised or expropriated the assets of private companies.

As a result, the risks from investing in those countries, including the risks of nationalisation or expropriation of assets, may be heightened. In addition, unanticipated political or social developments may affect the values of a Reference Item investment in those countries. The small size and inexperience of the securities markets in certain countries and the limited volume of trading in securities may make the Reference Item(s) illiquid and more volatile than investments in more established markets. There may be little financial or accounting information available with respect to the Underlying equity issuers, and it may be difficult as a result to assess the value or prospects of the Reference Item(s).

(iv) Additional considerations relevant for Index Linked Notes or Equity Linked Notes where an equity security, basket of equity securities or equity index is the Reference Item

Except as specified in the applicable Conditions, in relation to Physical Delivery Notes, Noteholders will not have voting rights or rights to receive dividends or other distributions or any other rights that holders of the reference equity securities would have and Noteholders will not have any beneficial interest in or right to acquire the reference equity securities or any derivative instruments related thereto.

The Calculation Agent may not be required to make an adjustment for every event that can affect the reference index or equity securities. If an event occurs that does not require the Issuer to adjust the amount payable at maturity in respect of the reference equity security or reference index, the market price of the associated Reference Item Linked Notes and the amount of interest or the principal amount payable at the maturity may be materially and adversely affected.

The Issuer or one or more of its Affiliates may, at present or in the future, engage in business with an equity issuer or its competitors, including making loans to or equity investments in an equity issuer or its competitors or providing either with investment banking, asset management or other advisory services, including merger and acquisition advisory services. These activities may present a conflict between the Issuer's or its Affiliates' obligations and the interests of Noteholders. Moreover, the Issuer or one or more of its Affiliates may have published and may in the future publish research reports on an equity issuer or upon any reference index which may be modified from time to time without notice and may express opinions or provide recommendations that are inconsistent with purchasing or holding the Reference Item Linked Notes. Any of these activities could affect the price of the reference equity securities or reference index and, therefore, the value of the associated Reference Item Linked Notes.

If the Issuer and its Affiliates are not affiliated with the equity issuers, the Issuer will have no ability to control or predict the actions of these issuers, including any corporate actions of the type that would require the Issuer to adjust the amount payable on the Reference Item Linked Notes, and will have no ability to control the public disclosure of these corporate actions or any other events or circumstances affecting the equity issuers. The equity issuers will have no obligation to consider the interests of Noteholders in taking any corporate actions that might affect the value of the associated Reference Item Linked Notes. The equity issuers may take actions that will adversely affect the value of the associated Reference Item Linked Notes. None of the money paid for the Reference Item Linked Notes will go to the equity issuers.

Neither the Issuer nor any of its Affiliates assumes any responsibility for the adequacy or accuracy of the information about the equity issuers contained in any terms supplement or in any publicly available filings made by the equity issuers. Prospective investors should make their own investigation into the relevant equity issuers.

(v) Commodity Linked Notes

The Issuer may issue Notes where amounts payable are dependent upon the price or changes in the price of a commodity or basket of commodities or where, depending on the price or change in the price of the commodity or basket of commodities, on maturity, redemption or settlement (as applicable) the Issuer may be obliged to deliver specified assets (together "**Commodity Linked Notes**").

Potential investors in any such Notes should be aware that depending on the terms of the Commodity Linked Notes (i) they may receive no or a limited amount of interest, (ii) payments or delivery of any specified assets may occur at a different time than expected and/or (iii) they may lose all or a substantial portion of their investment. In addition, the movements in the price of the commodity or commodities may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices and the timing of

changes in the relevant price of the commodity or basket of commodities may affect the actual yield to investors, even if the average level is consistent with their expectations. In particular Commodity Linked Notes which are related to the value of commodities tend to be more volatile than traditional securities investments. The market values of commodities tend to be highly volatile. Commodity market values are not related to the value of a future income or earnings stream, as tends to be the case with fixed-income and equity investments, but are subject to variables of specific application to commodities markets. These variables include changes in supply and demand relationships, governmental programmes and policies, national and international monetary, trade, political, judicial and economic events, changes in interest and exchange rates, speculation and trading activities in commodities and related contracts, weather, and agricultural, trade, fiscal and exchange control policies. These factors may have a larger impact on commodity prices and commodity-linked instruments than on traditional fixed-income and equity securities. Further, in general, the earlier the change in the price or prices of the commodities, the greater the effect on yield.

The market price of such Notes may be volatile and may depend on the time remaining to the redemption or expiration date (as applicable) and the volatility of the price of the commodities. The price of commodities may be affected by economic, financial and political events in one or more jurisdictions, including factors affecting the exchange(s) or quotation system(s) on which any such commodities may be traded.

(vi) Fund Linked Notes

General

The Issuer may issue Notes where the amounts payable are dependent upon the price or changes in the price of one or more Fund Interests or Fund Shares or where, depending on the price or changes in the price of one or more Fund Interests or Fund Shares, the Issuer has an obligation to deliver specified assets. Accordingly, an investment in Fund Linked Notes may bear similar market risks to a direct fund investment and investors should take advice accordingly. Funds may also include exchange traded Funds (“ETFs”).

Potential investors in any such Notes should be aware that depending on the terms of the Fund Linked Notes (i) they may receive no or a limited amount of interest, (ii) payments or delivery of any specified assets may occur at a different time than expected and (iii) they may lose all or a substantial portion of their investment. In addition, the movements in the price of one or more Fund Shares or Fund Interests may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices and the timing of changes in the relevant price of the one or more Fund Shares or Fund Interests may affect the actual yield to investors, even if the average level is consistent with their expectations. In general, the earlier the change in the price or prices of one or more Fund Shares or Fund Interests, the greater the effect on yield.

Neither the Issuer nor its Affiliates have the ability to control or predict the actions of the Fund Adviser or other Fund Service Provider. The Fund Adviser is not involved in the offer of the Notes in any way and has no obligation to consider the interests of the Noteholders in taking any corporate actions that might affect the value of the Notes.

The Issuer may have no role in the relevant Fund. The Fund Adviser is responsible for making strategic, investment and other trading decisions with respect to the management of the Fund, consistent with its investment objectives and/or investment restrictions as set out in its constitutive documents. Returns on Fund Interests or Fund Shares reflect fees payable to the Fund Adviser and will be paid regardless of performance. The manner in which a Fund is managed and the timing of such decisions will have a significant impact on the performance of the Fund. Hence, the price which is used to calculate the performance of the Fund is also subject to these risks. Set out below are risks common to any fund or funds and are not specific to the Fund. These risks include:

- (a) the risk that the share price of one or more of the assets in the Fund’s portfolio will fall, or will fail to rise. Many factors can adversely affect an asset’s performance, including both general financial market conditions and factors related to a specific asset or asset class;
- (b) general macro-economic or asset class specific factors, including interest rates, rates of inflation, financial instability, lack of timely or reliable financial information or unfavourable political or legal developments;
- (c) asset allocation policies of the Fund Adviser;
- (d) credit quality and the risk of default of one of the Funds or of assets generally held in the Fund;

- (e) the risk that the Fund's investment objectives and/or investment restrictions as set out in its constitutive documents are materially changed, not complied with or the method of calculating the Net Asset Value is materially changed;
- (f) the risk that the Fund is liquidated, dissolved or otherwise ceases to exist or it or its Fund Adviser is subject to a proceeding under any applicable bankruptcy, insolvency or other similar law; and
- (g) the risk that the Fund is subject to a fraudulent event.

Prospective investors in the Notes should be aware that the Fund Adviser will manage the Fund in accordance with the investment objectives of and guidelines applicable to the Fund. Furthermore, the arrangements between the Fund Adviser and the Fund have, in most cases, not been negotiated at arm's length and it is unlikely that the Fund Adviser will be replaced or that additional fund managers and/or fund advisers will be retained.

Use of estimates

Potential investors should understand that for certain determinations, the Calculation Agent or the Issuer may be required to rely on (a) values that at the time they are required are only estimated values, and (b) information provided by third parties, such as the Fund Adviser or Fund Service Providers, on the basis of their models, market anticipation and assumptions, the accuracy of which neither the Issuer nor the Calculation Agent has any control over, and as such, they may rely on this information without any obligation to verify or otherwise corroborate it.

Changing value

The value of the Notes may move up or down between the Issue Date and the maturity date, redemption date, settlement date or exercise date (as applicable) and an investor in the Notes in the secondary market during that time or on maturity of the Notes may sustain a significant loss. Factors that may influence the value of the Notes include: the value of the Fund; the creditworthiness of the Issuer in respect of the Notes; and those economic, financial, political and regulatory events that affect financial markets generally (including, for example, interest, foreign exchange and yield rates in the market).

The market price of a Fund Share in an ETF may be volatile and may depend on the time remaining to the redemption date or settlement date (as applicable) and the volatility of the price of a Fund Share and may be affected by the performance of the Fund Service Providers, and in particular the Fund Adviser. The price of a Fund Share may be affected by economic, financial, political and regulatory events that affect financial markets generally (including, for example, factors affecting the exchange(s) or quotation system(s) on which any such Fund Share may be traded).

Prospective investors of the Notes have no rights with respect to the Fund or underlying Fund Shares or Fund Interests

A prospective investor in Notes has no rights with respect to the Fund Shares or Fund Interests including, without limitation, the right to receive dividends or other distributions. None of the Issuer, any Dealers or the Agents or any of their respective affiliates has performed any investigation or review of any entities that manage a Fund for the purpose of forming a view as to the merit of an investment linked to such Fund. None of the Issuer, any Dealers or the Agents or any of their respective affiliates have performed or will perform any investigation or review of any entities that manage the Fund from time to time, including any investigation of public filings of such entities, for the purpose of forming a view as to the suitability of an investment linked to the Net Asset Value per underlying Fund Interest or Fund Share and they make no guarantee or express or implied warranties in respect of the Fund, the Fund Adviser or any other entity. Accordingly, investors should not conclude that the issue by the Issuer of the Notes is any form of investment recommendation or advice by any of the Issuer, any Dealers or the Agents or any of their respective affiliates.

Fund Events

Prospective investors should understand that, if a Fund Event is applicable, on the occurrence of any of the Fund Events, the Issuer may require the Calculation Agent: (i) to make such adjustments as it determines appropriate, including delaying any determination date or related payment date until it determines that no Fund Event exists, (ii) select replacement Funds, or (iii) in the case of Notes, redeem the Notes early and pay each

Noteholder the Early Redemption Amount, taking into account any hedge costs. “**Fund Events**” include Additional Fund Disruption Events (which include Change in Law, Fund Hedging Disruption and Increased Cost of Hedging), Fund Valuation Disruption, Fund Settlement Disruption, Nationalisation, Insolvency, Fund Insolvency Event, NAV Trigger Event, Adviser Resignation Event, Fund Modification, Strategy Breach, Regulatory Action, Reporting Disruption, Fund Service Provider Cessation, Fund Administration Disruption and Related Agreement Termination.

Fund Potential Adjustment Events

Following the declaration by a Fund of any Fund Potential Adjustment Event, the Calculation Agent may determine to make adjustments to the terms of the Fund Linked Notes.

Exchange Traded Funds

In the case where the Fund is an ETF, if De-listing, Insolvency, Material Underlying Event (which includes events in relation to the ETF and/or Fund Share which is materially prejudicial to the Issuer in connection with the issue of the Fund Linked Notes or any related hedging arrangement) and/or Merger Event, Nationalisation and/or Tender Offer are specified as applying to the applicable Final Terms, the Notes will also be subject to adjustment or in the case of Notes, early redemption at the Early Redemption Amount specified in the applicable Final Terms, taking into account any hedging costs.

If Fund Potential Adjustment Events occur, prospective investors should note that the Notes will be subject to adjustment.

The Calculation Agent may determine that an event giving rise to a Disrupted Day has occurred at any relevant time. Any such determination may have an effect on the timing of valuation and consequently the value of the Notes and/or may delay any applicable redemption payments, or settlement. Prospective investors should review the Conditions and the applicable Final Terms to ascertain whether and how such provisions apply to the Notes.

(vii) Additional Disruption Events (Index Linked Notes, Commodity Linked Notes and Equity Linked Notes, Fund Linked Notes and Synthetic Currency Notes only)

If certain Additional Disruption Events are specified as applying in the applicable Final Terms, the Notes will be subject to adjustment or may be redeemed or cancelled (as applicable) upon the occurrence of any of the Additional Disruption Events specified as applying in the applicable Final Terms. “Additional Disruption Events” may include change in law, hedging disruption, increased cost of hedging and/or insolvency filings.

(viii) General risks relating to Credit Linked Notes

The Issuer may issue Credit Linked Notes where the amount payable is dependent upon whether certain events (“**Credit Events**”) have occurred in respect of one or more entities (together, the “**Reference Entities**” and each a “**Reference Entity**”) and, if so, on the value of certain specified assets of such Reference Entity/Entities or where, if such events have occurred, on redemption the Issuer’s obligation is to deliver certain specified assets.

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

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

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

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

Certain Credit Linked Notes may be highly leveraged instruments, including without limitation (i) Credit Linked Notes linked to a notional amount relating to Reference Entities or Reference Obligations exceeding the Calculation Amount of the Credit Linked Notes or (ii) Credit Linked Notes linked to the first-to-default reference entity within a reference portfolio (or similar arrangements over a reference portfolio). The use of leverage is a speculative investment technique designed to enhance returns. However, such technique will also magnify the adverse impacts of a Credit Event.

In the case of Physical Delivery, where the Reference Obligation is a loan, in order for the Delivery of the loan (or an interest in the loan) to be effected, the Reference Obligation must be capable of being transferred to the Noteholder in accordance with its terms and the Noteholders must have the capacity to hold such loan (or loan interest).

If a Substitution Event has occurred with respect to the Non-Standard Reference Obligation and the Calculation Agent determines that no Substitute Reference Obligation is available for the Non-Standard Reference Obligation then, subject to the provisions of the definition of Substitute Reference Obligation, the Calculation Agent shall continue to attempt to identify the Substitute Reference Obligation until the Extension Date although the Calculation Agent is not obliged to select a Substitute Reference Obligation at any time. If (A) either (i) Cash Settlement is specified as the Settlement Method in the applicable Final Terms (or is applicable pursuant to the Fallback Settlement Method) and the Credit Event Redemption Amount is determined by reference to a Reference Obligation or (ii) either Auction Settlement or Physical Delivery is specified as the Settlement Method in the applicable Final Terms (or, in the case of Physical Delivery, is applicable pursuant to the Fallback Settlement Method) and, in each case, the Reference Obligation is the only Deliverable Obligation and (B) on or prior to the Extension Date, a Substitute Reference Obligation has not been identified, then the Issuer shall have the right on or after the Extension Date to redeem the Notes at the Early Redemption Amount (determined by the Calculation Agent taking into account the creditworthiness of the Reference Entity at the time of the early redemption) by notice to the Noteholders of the relevant Credit Linked Notes, such payment to be made as specified in such notice. Such notice shall contain details of the procedures and due date for such early redemption.

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

Nth-to-Default Credit Linked Notes

In the case of Nth-to-Default Credit Linked Notes, a Credit Event may occur in relation to one or more of the specified Reference Entities, but the Notes will not be subject to redemption upon the occurrence of a Credit Event unless and until the occurrence of a Credit Event Determination Date in respect of the Relevant Number of Reference Entities, the final of such Relevant Number of Reference Entities in respect of which this occurs being the “nth”. On the occurrence of a Credit Event in relation to such “nth” Reference Entity, payments or deliveries, as applicable, under the Nth-to-Default Credit Linked Notes will then be determined by reference to such Credit Event. This involves an investor taking credit risk in relation to each Reference Entity specified in the basket of Reference Entities to which the Notes relate.

Increased credit risk is associated with “Nth-to-Default” Credit Linked Notes. The credit risk to Noteholders may further be increased as a result of the concentration of Reference Entities in a particular industry sector or geographic area or the exposure of the Reference Entities to similar financial or other risks.

ISDA Credit Derivatives Definitions

The Additional Terms and Conditions for Credit Linked Notes include terms based on the 2014 Credit Derivatives Definitions (the “**2014 ISDA Definitions**”). While there are many similarities between the terms used in such Additional Terms and Conditions for Credit Linked Notes and the terms used in the 2014 ISDA Definitions, there are a number of differences. In particular, the Issuer has determined that certain provisions of the 2014 ISDA Definitions, which are intended for use by market participants in “over the counter” transactions, require amendment when incorporated in the terms of an offering of securities such as the Credit Linked Notes and amendments have also been made to reflect any hedging arrangements the Issuer may put in place. The terms and conditions of the Credit Linked Notes also afford the Calculation Agent discretion in respect of determining certain terms that differ in substance in comparison to corresponding terms contemplated in the 2014 ISDA Definitions, including, without limitation, the date on which a Credit Event Determination Date, the Credit Settlement Date or in certain circumstance, the Valuation Date will fall, the applicability of the Settlement Suspension provisions or determination of the Quotation Amount. The terms and conditions of the Credit Linked Notes also afford the Issuer (or an Affiliate) discretion in respect of determining the applicability of the Fallback Settlement Method (which may be determined, inter alia, by reference to the Hedging Arrangements) which therefore also differs in substance in comparison to the applicability of the Fallback Settlement Method under the 2014 ISDA Definitions. Therefore, a prospective investor should understand that the complete terms and conditions of the Credit Linked Notes are set out in this Base Prospectus and the applicable Final Terms and that the 2014 ISDA Definitions are not incorporated by reference herein. Consequently, investing in Credit Linked Notes is not necessarily equivalent to investing in a credit default swap that incorporates the 2014 ISDA Definitions.

While ISDA has published and, where applicable, supplemented the 2014 ISDA Definitions in order to facilitate transactions and promote uniformity in the credit derivatives market, the credit derivatives market has evolved over time and is expected to continue to change. Consequently, the 2014 ISDA Definitions and the terms applied to credit derivatives, including Credit Linked Notes are subject to further evolution. Past events have shown that the view of market participants may differ as to how ISDA Credit Derivatives Definitions operate or should operate. As a result of the continued evolution of the market, the Credit Linked Notes may not conform to future market standards. Such a result may have a negative impact on the Credit Linked Notes. Furthermore, there can be no assurances that changes to the terms applicable to credit derivatives generally will be predictable or favourable to the Issuer or the Noteholders.

Amendment of Credit Linked Conditions in accordance with market convention

The Calculation Agent may from time to time amend any provision of the Additional Terms and Conditions for Credit Linked Notes:

- (i) to incorporate and/or reflect further or alternative documents or protocols from time to time published by ISDA with respect to the documentation, trading or settlement of credit derivative transactions and/or the operation or application of determinations by the ISDA Credit Derivatives Determinations Committees; and/or
- (ii) in any manner which the Calculation Agent determines in a commercially reasonable manner is necessary or desirable to reflect or account for market practice for credit

derivative transactions and/or reflect the Hedging Arrangements of the Issuer or any of its Affiliates.

Hedging Disruption

The Additional Terms and Conditions for Credit Linked Notes provide that in the event that (a) the Issuer and/or any of its Affiliates or agents is unable, after using commercially reasonable efforts, to acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of the Issuer issuing and performing its obligations with respect to the Notes or to realise, recover or remit the proceeds of any such transaction(s) or asset(s), (b) the Reference Obligation no longer exists or other circumstances exist as described in paragraphs (a) or (b) of the definition of Substitution Event and no Substitute Reference Obligation is determined (which the Calculation Agent may determine not to do in its sole discretion), (c) the existing Hedging Arrangements of the Issuer or any Affiliate, or the ability of the Issuer or any Affiliate to enter into new Hedging Arrangements, are affected by any change in any standard terms used in any relevant market (such standard terms including, without limitation, any version of the ISDA Credit Derivative Definitions, any supplements thereto or any other terms or documentation that may be published by ISDA from time to time, and such a change including, without limitation, any amendment to or reinterpretation of any standard terms or the publication or introduction of new standard terms) or in market practice in any relevant market, or (d) the Issuer and/or any of its Affiliates or agents 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 risk of the Issuer issuing and performing its obligations with respect to the Notes, or (B) realize, recover or remit the proceeds of any such transaction(s) or asset(s); unless any such materially increased amount is incurred solely due to the deterioration of the creditworthiness of the Issuer and for any of its Affiliates or agents, in the case of any of (a), (b), (c) or (d) (each a “**Hedging Adjustment Event**”) the Issuer may (i) make such adjustment to the Conditions of the Notes (including, for the avoidance of doubt, the Credit Linked Conditions) as the Issuer determines is appropriate to account for such Hedging Adjustment Event and determine the effective date of that adjustment or (ii) if the Issuer determines that no adjustment that it could make would be sufficient (in the Issuer’s opinion) to reflect the occurrence of the relevant Hedging Adjustment Event, the Issuer may redeem all but not some only of the Notes as of such date as the Calculation Agent shall determine by notice given to the Noteholders, each Note being redeemed at the Early Redemption Amount.

Physical Settlement Matrix

Where so specified in the applicable Final Terms, the Credit Linked Notes may incorporate certain specific terms (as amended pursuant to Credit Linked Condition 22) of the Credit Derivatives Physical Settlement Matrix as published by ISDA from time to time. The version of the Credit Derivatives Physical Settlement Matrix from which such terms are incorporated is as set out in the applicable Final Terms. Other than those terms specifically contemplated in Credit Linked Condition 22 and the applicable Final Terms, none of the other terms contemplated in the Credit Derivatives Physical Settlement Matrix shall be incorporated into the terms of the Credit Linked Notes.

Cheapest to deliver

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

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

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

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

The probability of the occurrence of Credit Events with respect to the Reference Entities in a portfolio (for the avoidance of doubt including in the case of Nth-to-Default Credit Linked Notes) may depend on the degree

of diversification among the Reference Entities. The composition of the portfolio of Reference Entities may change after the Issue Date. Such change may result in an increase of concentration among the Reference Entities and therefore also in an increase in the risks associated with such concentration.

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

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

Credit Deterioration Requirement

If the relevant Final Terms for a series of Credit Linked Notes do not specify Credit Linked Condition 26 and "Credit Deterioration Requirement" as applicable in respect of a Reference Entity, no deterioration in the creditworthiness or financial condition of that Reference Entity will be required for the purposes of determining a Failure to Pay. As such, there could be an increased likelihood of a Credit Event occurring and of investors suffering a loss in respect of their investment in such Credit Linked Notes.

(ix) Risks relating to Auction Settlement of Credit Linked Notes

Auction Settlement

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

Role of the Credit Derivatives Determinations Committee

Credit Derivative Determinations Committees were established pursuant to the 2009 ISDA Credit Derivatives Determinations Committees and Auction Settlement Supplement to the 2003 ISDA Credit Derivatives Definitions (published on March 12, 2009) to make determinations that are relevant to the majority of the credit derivatives market and to promote transparency and consistency. Credit Derivatives Determination Committees also apply under the 2014 ISDA Definitions and the Additional Terms and Conditions for Credit Linked Notes as set out in Annex 4 of this Base Prospectus therefore reflect such auction procedures. Investors should consult the Issuer if they require a copy of the 2014 ISDA Definitions. In respect of a Credit Event relating to a Credit Linked Note, prospective purchasers should note that the Credit Derivatives Determinations Committee has the power to make binding decisions on critical issues such as whether a Credit Event has occurred, which obligations are to be valued and whether an auction should take place in accordance with and as more fully described in the Credit Derivatives Determinations Committees Rules, as published by ISDA on its website at www.isda.org (or any successor website thereto) from time to time and as amended from time to time in accordance with the terms thereof. Consequently, payments on the Credit Linked Notes and the timing of any such payments may be affected by any such relevant decisions if Auction Settlement is specified as the applicable Settlement Method for a series of Notes in the applicable Final Terms.

Credit Event, Succession Event and Successor Backstop Dates

In respect of a Credit Event relating to a series of Credit Linked Notes, a Credit Event may not be triggered unless a request is submitted to ISDA for the relevant Credit Derivatives Determinations Committee to consider whether the relevant event constitutes a Credit Event within 60 calendar days of the occurrence of such potential Credit Event unless a Credit Event Determination Date has already occurred with respect to such event.

For the purposes of the succession provisions the look-back period is 90 calendar days and functions similarly. These provisions mean that there is a time limit on the ability to act on a Credit Event or succession and that it is possible that the Credit Linked Notes could be affected by a Credit Event or succession that took place prior to the Trade Date.

Settlement Suspension, Adjustments and Interest Provisions

Credit Linked Condition 10 permits the Calculation Agent, at its option and only in the circumstances described in Credit Linked Condition 10, to determine that the applicable timing requirements of the Credit Linked Conditions (as determined by the Calculation Agent) shall toll and be suspended and remain suspended (such period of suspension, a “**Suspension Period**”) until the date of the relevant DC Credit Event Announcement or DC Credit Event Question Dismissal. During such Suspension Period none of the Issuer, the Calculation Agent or any Noteholder are obliged to, nor are they entitled to, take any action in connection with the settlement of the Credit Linked Notes. Following the occurrence of the relevant DC Credit Event Announcement or DC Credit Event Question Dismissal, as applicable, the relevant timing requirements of the Credit Linked Conditions that have previously tolled or been suspended shall resume on the Business Day following the occurrence of such event.

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

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

- (a) if a Suspension Period falls in any one or more Interest Period(s), then no interest shall accrue during each portion of an Interest Period during which a Suspension Period exists; and
- (b) if an Interest Payment Date falls in a Suspension Period, payment of the relevant interest will be deferred until after the end of the Suspension Period.

(x) *Fixed/Floating Rate Notes*

Fixed/Floating Rate Notes may bear interest at a rate that converts from a fixed rate to a floating rate, or from a floating rate to a fixed rate. If the rate converts from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on the other Notes. If the rate converts from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on its Notes.

(xi) *Range Accrual Notes*

If the Senior Notes include a “range accrual” feature (“**Range Accrual Notes**”) then interest will only be paid if the level of the underlying interest rates on the relevant valuation date(s) is at or above one or more specified lower barrier(s) and/or at or below one or more specified upper barrier(s) (as applicable). It is possible that such level of the underlying interest rates on the relevant valuation date(s) will not be at or above/below the specified barrier(s) or not be within the specified range during the relevant interest determination period (as applicable) and, therefore, no interest will be payable on the relevant Interest Payment Date. This means that the amount of interest payable to a Noteholder over the term of the Range Accrual Notes may vary and may be zero.

(xii) *Fixed Rate Resettable Notes*

A holder of Notes with a fixed rate of interest that will periodically reset during the term of the relevant Notes is exposed to the risk of fluctuating interest rate levels and uncertain interest income. Fixed Rate Resettable Notes will initially bear interest at the Initial Rate of Interest until (but excluding) the First Reset Date. On the First Reset Date, the Second Reset Date (if applicable) and each Subsequent Reset Date (if any) thereafter, the interest rate will be reset to be the sum of (i) the applicable Mid-Swap Rate, Benchmark Gilt Rate, CMT Rate or

Reference Bond Rate and (ii) the First Margin or Subsequent Margin (if applicable) as determined by the Calculation Agent on the relevant Reset Determination Date (each such interest rate, a “Subsequent Reset Rate”). The Subsequent Reset Rate for any Reset Period could be less than the Initial Rate of Interest or the Subsequent Reset Rate for prior Reset Periods and could affect the value of an investment in the Fixed Rate Resetable Notes.

(xiii) Notes issued at a substantial discount or premium may experience significant price volatility in response to changes in interest rates

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

(xiv) Notes which are issued with variable interest rates or which are structured to include a multiplier or other leverage factors are likely to have more volatile market values than more standard securities

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

(xv) Partly Paid Notes

The Issuer may issue Notes where the issue price is payable in more than one instalment. Failure to pay any subsequent instalment could result in an investor losing all of its investment.

(xvi) Floating Rate and Range Accrual Notes linked to “benchmarks” such as EURIBOR and CMS

Reference rates (such as the Euro Interbank Offered Rate (“**EURIBOR**”) and related swap rates) and other types of rates or indices which are deemed to be “benchmarks” (each, a “Benchmark” and together the “**Benchmarks**”) are, and have been, the subject of regulatory scrutiny and national and international regulatory reform and review, with further changes anticipated. This has resulted in regulatory reform and changes to existing Benchmarks. Such reform of Benchmarks includes the Regulation (EU) 2016/1011 of the European Parliament and of the Council of June 8, 2016, as amended from time to time (the “**EU Benchmarks Regulation**”) which applies to “contributors”, “administrators” and “users” of “benchmarks” in the EEA. Among other things, it (i) requires benchmark administrators to be authorised or registered (or, if located outside the EEA (to be subject to an equivalent regime or otherwise recognised or endorsed) and to comply with extensive requirements in relation to the administration of benchmarks and (ii) prevents certain uses by EEA supervised entities of benchmarks of administrators that are not authorised/registered (or, if located outside the EU, deemed equivalent or recognised or endorsed). Subject to certain transitional provisions, the EU Benchmarks Regulation applies to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the EU and, as it forms part of UK domestic law by virtue of the EUWA, within the UK (the “**UK Benchmarks Regulation**”). Similarly, the UK Benchmarks Regulation applies to “contributors”, “administrators” and “users” of “benchmarks” in the UK. Among other things, it (i) requires benchmark administrators to be authorised or registered (or, if located outside the UK, to be subject to an equivalent regime or otherwise recognised or endorsed) and to comply with extensive requirements in relation to the administration of benchmarks and (ii) prevents certain uses by UK supervised entities of benchmarks of administrators that are not authorised/registered (or, if located outside the UK, deemed equivalent or recognised or endorsed).

The EU Benchmarks Regulation and the UK Benchmarks Regulation are currently being reviewed and changes to either regulation may, among other things give the relevant regulators enhanced powers to help manage and direct an orderly wind-down of critical benchmarks, including through imposing methodology changes. The detail and scope of any such proposed reforms is however to be confirmed.

The EU Benchmarks Regulation and/or the UK Benchmarks Regulation could have a material impact on any Notes linked to a Benchmark, including, in particular, if the methodology or other terms of the Benchmark are changed in order to comply with the requirements of the EU Benchmarks Regulation and/or the UK Benchmarks Regulation. Such changes could, among other things, have the effect of reducing or otherwise affecting the volatility of the published rate of the relevant Benchmark.

On November 29, 2017, the Bank of England and the UK Financial Conduct Authority announced that, as of January 2018, its Working Group on Sterling Risk-Free Rates had been mandated with implementing a broad-based transition to the Sterling Overnight Index Average (“**SONIA**”) across sterling bond, loan and derivative markets, so that SONIA was established as the primary sterling interest rate benchmark by the end of 2021. See also “*The market continues to develop in relation to the use of SONIA, €STR and SORA as reference rates for Floating Rate Notes*” below.

Alternative risk-free rates have been identified in a number of other markets. For example, in the United States of America, in June 2017, the Alternative Reference Rate Committee (“**ARRC**”) recommended the Secured Overnight Financing Rate (“**SOFR**”) as the replacement rate for USD LIBOR and has a paced transition plan for developing SOFR markets (as further described under “*Risk factors related to the use of SOFR as a reference rate for Floating Rate Notes*” below).

On September 13, 2018, the working group on euro risk-free rates recommended Euro Short-term Rate (“**€STR**”) as the new risk-free rate for the euro area. €STR was first published on October 2, 2019. Although EURIBOR has been reformed in order to comply with the terms of the EU Benchmarks Regulation, it remains uncertain as to how long it will continue in its current form, or whether it will be further reformed or replaced with €STR or an alternative benchmark. In addition, on January 21, 2021, the working group published a paper indicating, among other things, that continuing to reference EURIBOR in relevant contracts may increase the risk to the euro area financial system and setting out the euro risk free-rate. The working group also published a set of guiding principles for fallback provisions in new euro denominated cash products (including bonds). On May 11, 2021, the working group published recommendations relating to fallback trigger events and fallback rates for contracts and financial instruments referring EURIBOR which follow the guiding principles.

On August 30, 2019, the MAS similarly announced the establishment of a Steering Committee for SOR Transition to SORA (the “**SC-STs**”) to oversee an industry-wide benchmark transition from Singapore dollar Swap Offer Rate (“**SOR**”) to Singapore Overnight Rate Average (“**SORA**”) and on October 27, 2020, the SC-STs announced industry timelines to support a coordinated shift away from the use of SOR in financial products and accelerate usage of SORA, including that all financial institutions and their customers should, by end-April 2021, cease usage of SOR in new loans and securities that mature after end-2021. On March 31, 2021, the SC-STs further announced new industry timelines to cease issuance of SOR derivatives and financial products linked to SIBOR (“**Singapore Interbank Offer Rate**”) by end-September 2021, including that all financial institutions and their customers should cease usage of SOR in new derivatives contracts (with certain exceptions) by end-September 2021. On July 29, 2021, the SC-STs further announced new industry timelines encouraging wholesale market participants to substantially shift out of their legacy SOR exposures by December 31, 2021, with specific recommendations in respect of corporate loans, derivatives and bonds to facilitate the transitions from SOR to SORA. For the retail loan market, the SC-STs has announced a longer transition period from September 2021 to October 2022. See also “*The market continues to develop in relation to the use of SONIA, €STR and SORA as reference rates for Floating Rate Notes*” below.

It is not possible to predict whether, and to what extent, EURIBOR and other Benchmarks will continue to be supported going forward. This may cause these Benchmarks to perform differently than they have done in the past and may have other consequences which cannot be predicted. Such factors may have (without limitation) the following effects on certain Benchmarks: (i) discouraging market participants from continuing to administer or contribute to a Benchmark; (ii) triggering changes in the rules of methodologies used in the Benchmark; or (iii) leading to the disappearance of the Benchmark. Any of the above changes or any other consequential changes as a result of international or national reforms or other initiatives or investigations, could have a material adverse effect on the value or liquidity of, and return on, any Notes linked to, referencing, or otherwise dependent (in whole or in part) on, a Benchmark.

Furthermore, even prior to the implementation of any changes, uncertainty as to the nature of alternative reference rates and as to potential changes to such benchmarks may adversely affect such benchmarks during the term of the relevant Notes, the return on the relevant Notes and the trading market for securities based on the same benchmark.

(xvii) Benchmark Discontinuation under the Conditions

In the case of Notes (i) using a Reference Rate other than SOFR (including a swap rate linked to a reference rate other than SOFR) (unless Condition 4(n) is specified to be not applicable in the applicable Final

Terms) to determine the rate of interest (or a component thereof) or (ii) using €STR as a reference rate where an €STR Index Cessation Event has occurred and the €STR Fallbacks (as defined below) do not enable the rate of interest (or a component thereof) to be determined, in the event that a Benchmark Event (including where a published benchmark such as EURIBOR, SONIA, SORA or a swap rate becomes unavailable, unlawful or unrepresentative) has occurred, Condition 4(m) provides for certain fallbacks, including the possibility that the rate of interest could be determined by the Issuer in consultation with an Independent Adviser, or if the Issuer is unable to appoint an Independent Adviser or unable to make the relevant determination in consultation with an Independent Adviser, determined by the Issuer itself and set by reference to a successor rate or an alternative reference rate and that such successor rate or alternative reference rate may be adjusted (if required) in order to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as applicable) to investors arising out of the replacement of the relevant benchmark. However, it may not be possible to determine or apply any such adjustment and even if an adjustment is applied, such adjustment may not be effective to reduce or eliminate economic prejudice to investors. If no adjustment can be determined, a successor rate or alternative rate may nonetheless be used to determine the rate of interest. In certain circumstances the ultimate fallback of interest for a particular Interest Period may result in the rate of interest for the last preceding Interest Period being used. This may result in the effective application of a fixed rate for Floating Rate Notes based on the rate which was last observed on the Relevant Screen Page or, in the case of Fixed Rate Resetable Notes, the application of the relevant Rate of Interest for the preceding Reset Period. In the case of Notes linked to a swap rate, the ultimate fallback of interest could be the Calculation Agent determining an alternative rate in its sole discretion. In addition, due to the uncertainty concerning the availability of successor rates and alternative reference rates and the involvement of an Independent Adviser or the Issuer, the relevant fallback provisions may not operate as intended at the relevant time.

In the case of Notes using SOFR (including a mid-swap rate linked to such a reference rate) as a reference rate to determine the rate of interest (or a component thereof), if the Issuer or its designee determines that a Benchmark Transition Event (including where the Benchmark becomes unavailable or unrepresentative) and its related Benchmark Replacement Date has occurred, the then current benchmark will be replaced by a replacement rate (determined by the Issuer in accordance with Condition 4(m)(viii)) for all purposes in respect of all determinations on such date and for all determinations on subsequent dates.

In making determinations in connection with a Benchmark Event or a Benchmark Transition Event, the Issuer may be entitled to exercise substantial discretion and may be subject to conflicts of interest in exercising this discretion.

In the case of Notes using €STR, to the extent the €STR Reference Rate is discontinued or is no longer published as described in the Terms and Conditions, the applicable rate to be used to calculate the interest rate on such Notes will be determined using the alternative methods described in Condition 4(c)(i)(F)(4) (“**€STR Fallbacks**”) or if these do not enable the rate of interest to be determined, Condition 4(m) will apply. In addition, use of the €STR Fallbacks may result in a fixed rate of interest being applied to the Notes.

The circumstances which can lead to the trigger of a Benchmark Event (or similar events for €STR) are beyond the Issuer's control and the subsequent use of a Successor Rate, an Alternative Rate or (as applicable) replacement benchmark following any of such events may result in changes to the Conditions and/or interest payments that are lower than or that do not otherwise correlate over time with the payments that could have been made on such Notes if the relevant benchmark remained available in its current form.

Any of the above consequences could have a material adverse effect on the value of and return on any such Notes. Moreover, any of the above matters or any other significant change to the setting or existence of any relevant reference rate could affect the ability of the Issuer to meet its obligations under the Floating Rate Notes, Fixed Rate Resetable Notes or Range Accrual Notes and could have a material adverse effect on the value or liquidity of, and the amount payable under, the Floating Rate Notes, Fixed Rate Resetable Notes or Range Accrual Notes. Investors should consider these matters when making their investment decision with respect to the relevant Floating Rate Notes, Fixed Rate Resetable Notes or Range Accrual Notes.

(xviii) The market continues to develop in relation to the use of SONIA, €STR and SORA as reference rates for Floating Rate Notes

Investors should be aware that the market continues to develop in relation to risk free rates as reference rates in the capital markets and their adoption as alternatives to the relevant interbank offered rates.

In addition, market participants and relevant working groups are exploring alternative reference rates based on risk-free rates, examples of which include term €STR, SONIA and SORA (which seek to measure the market's forward expectation of an average €STR, SONIA or SORA over a designated term).

The market or a significant part thereof may adopt an application of risk free rates that differs significantly from that set out in the Conditions and used in relation to any that reference risk free rates issued under the Programme. The Issuer may in the future also issue Notes referencing risk free rates that differ materially in terms of interest determination when compared with any previous Notes referencing the same risk free rate issued by it under the Programme. The development of risk free rates as interest reference rates for the Eurobond markets and of the market infrastructure for adopting such rates could result in reduced liquidity or increased volatility or could otherwise affect the market price of any Notes issued under the Programme which references any such risk free rate from time to time.

Furthermore, the basis of deriving certain risk free rates, such as €STR, SONIA or SORA, may mean that interest on Notes which reference any such risk free rate would only be capable of being determined after the end of the relevant Observation Period or Interest Accrual Period and immediately prior to the relevant Interest Payment Date. It may be difficult for investors in Notes which reference any such risk free rate to accurately estimate the amount of interest which will be payable on such Notes, and some investors may be unable or unwilling to trade such Notes without changes to their IT systems, both of which could adversely impact the liquidity of such Notes. Further, in contrast to LIBOR-linked Notes, if Notes referencing €STR, SONIA or SORA become due and payable as a result of an event of default under the Conditions, the rate of interest payable for the final Interest Period in respect of such Notes shall only be determined on the date which the Notes become due and payable and shall not be reset thereafter. Investors should consider these matters when making their investment decision with respect to any such Notes.

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

Since risk free rates are relatively new market indices, Notes linked to any such risk free rate may have no established trading market when issued, and an established trading market may never develop or may not be very liquid. Market terms for debt securities indexed to any risk free rate, such as the spread over the index reflected in interest rate provisions, may evolve over time, and trading prices of such Notes may be lower than those of later-issued indexed debt securities as a result. Further, if any risk free rate to which a series of Notes is linked does not prove to be widely used in securities like the Notes, the trading price of such Notes linked to a risk free rate may be lower than those of Notes linked to indices that are more widely used. Investors in such Notes may not be able to sell such Notes at all or may not be able to sell such Notes at prices that will provide them with a yield comparable to similar investments that have a developed secondary market, and may consequently suffer from increased pricing volatility and market risk. Daily changes in such rates may also be more volatile than daily changes in other benchmarks or market rates, such that the value on and value of Notes linked to risk-free rates may fluctuate more than floating rate debt securities linked to less volatile rates. There can also be no guarantee that any risk free rate to which a series of Notes is linked will not be discontinued or fundamentally altered in a manner that is materially adverse to the interests of investors in Notes referencing such risk free rate. If the manner in which such risk free rate is calculated is changed, that change may result in a reduction of the amount of interest payable on such Notes and the trading prices of such Notes.

There can also be no assurance that any of the risk free rates will be positive (although on any issue the Issuer can set a zero coupon floor for Compounded Daily SOFR).

(xix) Risk factors related to the use of SOFR as a reference rate for Floating Rate Notes

The composition and characteristics of SOFR are not the same as those of U.S. dollar LIBOR, and SOFR is not expected to be a comparable replacement for USD LIBOR.

Where the applicable Final Terms for a Series of Floating Rate Notes identifies that the Rate of Interest for such Notes will be determined by reference to SOFR, the Rate of Interest will be determined on the basis of a compounded daily rate. In such case, such rate will differ from USD LIBOR in a number of material respects,

including (without limitation) that the compounded rate is a backwards-looking, compounded, secured, risk-free overnight rate, whereas USD LIBOR is expressed on the basis of a forward-looking term and includes a credit risk-element based on inter-bank lending.

As a result, there can be no assurance that SOFR will perform in the same way as USD LIBOR would have at any time, including, without limitation, as a result of changes in interest and yield rates in the market, bank credit risk, market volatility or global or regional economic, financial, political, regulatory, judicial or other events. For the same reasons, SOFR is not expected to be a comparable replacement for USD LIBOR.

SOFR has a limited history, and the future performance of SOFR cannot be predicted based on historical performance.

The publication of SOFR began in April 2018, and, therefore, it has a limited actual performance history. However, the Federal Reserve Bank of New York has published indicative historical data dating back to 2014. The future performance of SOFR cannot be predicted based on either the limited actual or indicative historical performance of SOFR. Future levels of SOFR may bear little or no relation to the historical actual or historical indicative SOFR data. Prior observed patterns, if any, in the behaviour of market variables and their relation to SOFR, such as correlations, may change in the future. While some historical indicative data have been released by the Federal Reserve Bank of New York, as noted above, such analysis inherently involves assumptions, estimates and approximations. The future performance of SOFR is impossible to predict and therefore no future performance of SOFR may be inferred from any of the historical actual or historical indicative data. Hypothetical or historical performance data are not indicative of, and have no bearing on, the potential performance of SOFR.

In addition to the daily SOFR, the Federal Reserve Bank of New York also publishes three compounded averages of SOFR with rolling tenors of 30-, 90- and 180-calendar days, which also is calculated on a backward-looking basis (“Compounded SOFR”) (discussed further below in Condition 4(c)(i)(E)). It also publishes a SOFR Index that allows for the calculation of compounded average rates over custom time periods.

There can be no assurance that SOFR or Compounded SOFR will be positive.

SOFR may be more volatile than other benchmark or market rates.

Since the initial publication of SOFR, daily changes in the rate have, on occasion, been more volatile than daily changes in other benchmark or market rates, such as three-month USD LIBOR, during corresponding periods, and SOFR may bear little or no relation to the historical actual or historical indicative data. Although changes in Compounded SOFR generally are not expected to be as volatile as changes in daily levels of SOFR, the return on value of and market for any SOFR-referenced Notes issued under the Programme from time to time may fluctuate more than floating rate securities that are linked to less volatile rates. The volatility of SOFR has reflected the underlying volatility of the overnight U.S. Treasury repo market. The Federal Reserve Bank of New York (or any successor) (the “FRBNY”) has at times conducted operations in the overnight U.S. Treasury repo market in order to help maintain the federal funds rate within a target range. There can be no assurance that the FRBNY will continue to conduct such operations in the future, and the duration and extent of any such operations is inherently uncertain. The effect of any such operations, or of the cessation of such operations to the extent they are commenced, is uncertain, could be materially adverse to investors in the Floating Rate Notes and could adversely affect the price at which investors can sell SOFR-referenced Notes.

Any failure of SOFR to gain market acceptance could adversely affect any SOFR referenced Notes.

According to the ARRC, SOFR was developed for use in certain U.S. dollar derivatives and other financial contracts as an alternative to USD LIBOR in part because it is considered a good representation of general funding conditions in the overnight U.S. Treasury repurchase market. However, as a rate based on transactions secured by U.S. Treasury securities, SOFR does not measure bank-specific credit risk and, as a result, is less likely to correlate with the unsecured short-term funding costs of banks. This may mean that market participants would not consider SOFR a suitable replacement or successor for all of the purposes for which USD LIBOR historically has been used (including, without limitation, as a representation of the unsecured short-term funding costs of banks), which may, in turn, lessen market acceptance of SOFR.

Any failure of SOFR to gain market acceptance could adversely affect the return on and value of any SOFR-referenced Notes issued under the Programme from time to time and the price at which investors can sell such Notes in the secondary market.

The Compounded SOFR rate is relatively new in the marketplace.

For any SOFR-referenced Notes issued under the Programme from time to time, in each Interest Period, the interest rate is based on Compounded SOFR, which is calculated using the specific formula described in Condition 4(c) (Interest Rate on Floating Rate Notes, Index Linked Interest Notes, Equity Linked Interest Notes, Commodity Linked Interest Notes, Fund Linked Interest Notes and Synthetic Currency Notes), not the SOFR rate published on or in respect of a particular date during such Interest Period or an arithmetic average of SOFR rates during such period. For this and other reasons, the interest rate on the SOFR-referenced Notes during any Interest Period will not be the same as the interest rate on other SOFR-linked investments that use an alternative basis to determine the applicable interest rate. Further, if the SOFR rate in respect of a particular date during an Interest Period is negative, its contribution to Compounded SOFR will be less than one, resulting in a reduction to Compounded SOFR used to calculate the interest payable on the SOFR-referenced Notes on the Interest Payment Date for such Interest Period.

The use of SOFR as a reference rate for Notes is nascent, and is subject to change and development, both in terms of the substance of the calculation and in the development and adoption of market infrastructure for the issuance and trading of notes referencing Compounded SOFR.

Accordingly, prospective investors in any Notes referencing SOFR should be aware that the market continues to develop in relation to SOFR as a reference rate in the capital markets and its adoption as an alternative to USD LIBOR. The adoption of SOFR will also see component inputs into swap rates or other composite rates transferring from USD LIBOR or another reference rate to SOFR.

In addition, very limited market precedent exists for securities that use SOFR as the interest rate and the method for calculating an interest rate based upon SOFR in those precedents varies. Accordingly, the specific formula for the Compounded SOFR rate used in any SOFR-referenced Notes may not be widely adopted by other market participants, if at all. If the market adopts a different calculation method, that could adversely affect the market value of such Notes.

Compounded SOFR with respect to a particular Interest Period will only be capable of being determined near the end of the relevant Interest Period.

The Rate of Interest on Notes which reference SOFR will only be determined at the end of the relevant Observation Period and immediately or shortly prior to the relevant Interest Payment Date. It may be difficult for investors in such Notes to estimate reliably the amount of interest which will be payable on such Notes on each Interest Payment Date. This uncertainty could adversely impact the liquidity of such Notes.

The secondary market for securities linked to SOFR may be limited.

If SOFR does not prove to be widely used as a benchmark in securities that are similar or comparable to any SOFR-referenced Notes issued under the Programme from time to time, the trading price of such Notes may be lower than those of securities that are linked to rates that are more widely used. Similarly, market terms for securities that are linked to SOFR, including, but not limited to, the spread over the reference rate reflected in the interest rate provisions, or manner of compounding the reference rate, may evolve over time and, as a result, trading prices of any SOFR-referenced Notes may be lower than those of later-issued securities that are based on SOFR. Investors in such Notes may not be able to sell the Notes at all or may not be able to sell the Notes at prices that will provide them with a return comparable to similar investments that have a developed secondary market, and may consequently suffer from increased pricing volatility and market risk.

In addition, there currently is no uniform market convention with respect to the implementation of SOFR as a base rate for floating-rate notes or other securities. The manner of calculation and related conventions with respect to the determination of interest rates based on SOFR in floating-rate note markets may differ materially compared with the manner of calculation and related conventions with respect to the determination of interest rates based on SOFR in other markets, such as the derivatives and loan markets. Investors should carefully consider how any potential inconsistencies between the manner of calculation and

related conventions with respect to the determination of interest rates based on SOFR across these markets may impact any hedging or other financial arrangements which they may put in place in connection with any acquisition, holding or disposition of the SOFR-referenced Notes.

SOFR may be modified or discontinued and any SOFR-referenced Notes may bear interest by reference to a rate other than Compounded SOFR, which could adversely affect the value of such Notes.

SOFR is a relatively new rate, and the FRBNY, as administrator of SOFR, may make methodological or other changes that could change the value of SOFR, including changes related to the method by which SOFR is calculated, eligibility criteria applicable to the transactions used to calculate SOFR, or timing related to the publication of SOFR. SOFR is published by the FRBNY based on data received by it from sources other than the Issuer and the Issuer does not have any control over its method of calculation, publication schedule, rate revision practices or availability of SOFR at any time. There can be no guarantee, particularly given its relatively recent introduction, that SOFR will not be discontinued or fundamentally altered in a manner that is materially adverse to the interests of investors in SOFR-referenced Notes. If the manner in which SOFR is calculated is changed, that change may result in a reduction of the amount of interest payable on any SOFR-referenced Notes issued under the Programme from time to time, which may adversely affect the trading prices of such Notes. The administrator of SOFR may withdraw, modify, amend, suspend or discontinue the calculation or dissemination of SOFR in its sole discretion and without notice (in which case a fallback method of determining the interest rate on any SOFR-referenced Notes as further described under Condition 4(n) (Benchmark Discontinuation – ARRC Fallback) will apply) and has no obligation to consider the interests of holders of the Notes in calculating, withdrawing, modifying, amending, suspending or discontinuing SOFR. The interest rate for any Interest Period will not be adjusted for any modifications or amendments to SOFR or SOFR data that the FRBNY may publish after the interest rate for that Interest Period has been determined.

(xx) Notes that are Inverse Floating Rate Notes will have more volatile market values than conventional Floating Rate Notes

Inverse Floating Rate Notes have an interest rate equal to a fixed rate minus a rate based upon a reference rate such as EURIBOR. The market value of those Notes typically are more volatile than the market value of other conventional floating rate debt securities based on the same reference rate (and with otherwise comparable terms). The price volatility of such Notes is higher than the price volatility of other conventional floating rate debt securities based on the same reference rate (and with otherwise comparable terms).

(xxi) Administrator/Benchmark Event

The occurrence of an Administrator/Benchmark Event may cause early redemption or termination or adjustment of the Notes which may include selecting one or more successor benchmarks and making related adjustment(s) to the Notes, including if applicable to reflect increased costs. An Administrator/Benchmark Event may arise if any of the following circumstances occurs or may occur: (1) a benchmark is materially changed, permanently or indefinitely cancelled or an official sector entity prohibits its use, (2) (i) the relevant authorisation, registration, recognition, endorsement, equivalence decision or approval in respect of the benchmark or the administrator or sponsor of the benchmark is not obtained, (ii) an application for authorisation, registration, recognition, endorsement, equivalence decision, approval or inclusion in any official register is rejected or (iii) any authorisation, registration, recognition, endorsement, equivalence decision or approval is suspended or inclusion in any official register is withdrawn, or (3) a relevant supervisor officially announces the benchmark is or will be no longer representative of any relevant underlying market(s). If the Notes are redeemed or terminated for an Administrator/Benchmark Event there is no guarantee that the amount paid to investors will be equal to or higher than the investor's initial investment in the relevant Notes and such amount may be substantially less than the investor's initial investment.

(xxii) Notes involving interest may be subject to Canadian Usury Laws

All Notes issued under the Programme are governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein. The *Criminal Code* (Canada) prohibits the receipt of "interest" at a "criminal rate" (namely, an effective annual rate of interest of 60 per cent. or any other rate as may be prescribed from time to time pursuant to applicable Canadian federal usury laws). Accordingly, the provisions for the payment of interest or a Redemption Amount in excess of the aggregate nominal amount of the Notes may not be enforceable if the provision provides for the payment of "interest" in excess of an effective annual rate of interest

of 60 per cent. (or any other rate as may be prescribed from time to time pursuant to applicable Canadian federal usury laws). If any Senior Notes are found not to be enforceable in whole or in part as a result of such prohibition, Noteholders may not be able to collect some or all of the interest owing on the Notes. On June 22, 2023, the Budget Implementation Act (“**Bill C-47**”) received Royal Assent and became law in Canada. Bill C-47, among other things, amends the *Criminal Code* (Canada) to change the method of calculating the criminal rate of interest from an effective rate to an annual percentage rate and to lower the rate to 35 per cent. and is set to come into force on a day or days to be fixed by order of the Governor in Council.

4. Risks related to the Subordinated Notes

(i) General Risks related to Subordinated Notes

A Noteholder’s remedies for the Issuer’s breach of its obligations under the Subordinated Notes are limited.

Absent an Event of Default (which shall occur if the Issuer becomes insolvent or bankrupt or subject to the provisions of the *Winding-Up and Restructuring Act* (Canada), the Issuer goes into liquidation either voluntarily or under an order of a court of competent jurisdiction, or the Issuer otherwise acknowledges its insolvency), the holders of the Subordinated Notes shall not be entitled to declare the principal amount of the Subordinated Notes due and payable under any circumstance. As a result, investors will have no right of acceleration in the event of a non-payment of interest or a failure or breach in the performance of any other covenant of the Issuer although legal action could be brought to enforce any covenant of the Issuer. Neither an NVCC Automatic Conversion upon the occurrence of a Non-Viability Trigger Event nor a Bail-in Conversion will constitute an Event of Default under the terms of the Subordinated Notes.

Early Redemption on Occurrence of Regulatory or Tax Events.

The Issuer may redeem all but not less than all of the outstanding Subordinated Notes of such Series at any time on or after a Tax Event or, in the case of a Regulatory Event, on or within 90 days after the occurrence of Regulatory Event, in each case with the prior consent of the Superintendent. An investor may not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Subordinated Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

(ii) Risks related to NVCC Automatic Conversion

Subordinated Notes are subject to an automatic and immediate conversion into Common Shares upon a Non-Viability Trigger Event.

Upon the occurrence of an NVCC Automatic Conversion following a Non-Viability Trigger Event, an investment in the Subordinated Notes will automatically and immediately become an investment in Common Shares. Upon an NVCC Automatic Conversion, any accrued but unpaid interest will be added to the nominal amount of the Subordinated Notes held by the investor and such accrued but unpaid interest, together with the principal amount of the Subordinated Notes, will be deemed repaid in full by the issuance of Common Shares upon such conversion and the holders of Subordinated Notes shall have no further rights under the Subordinated Notes or the Deed of Covenant and the Issuer shall have no further obligations to holders of the Subordinated Notes.

Potential investors in Subordinated Notes should understand that, if a Non-Viability Trigger Event occurs and Subordinated Notes are converted into Common Shares, investors are obliged to accept the Common Shares even if they do not at the time consider such Common Shares to be an appropriate investment for them and despite any change in the financial position of the Issuer since the issue of the Subordinated Notes or any disruption to the market for those Common Shares or to capital markets generally.

The number and value of Common Shares to be received on an NVCC Automatic Conversion may be worth significantly less than the par value of the Subordinated Notes and are variable and subject to further dilution.

The number of Common Shares to be received for each Subordinated Note is calculated by reference to the prevailing market price of Common Shares immediately prior to a Non-Viability Trigger Event, subject to the Floor Price. Upon the occurrence of an NVCC Automatic Conversion, there is no certainty of the value of the Common Shares to be received by the holders of the Subordinated Notes and the value of such Common Shares

could be significantly less than the nominal amount of the Subordinated Notes. Moreover, there may be an illiquid market, or no market at all, in Common Shares received upon an NVCC Automatic Conversion, and investors may not be able to sell the Common Shares at a price equal to the value of their investment in the Subordinated Notes and as a result may suffer significant loss.

If the Subordinated Notes are denominated in a currency other than Canadian dollars and any Common Shares are traded in Canadian dollars, fluctuations in the exchange rates between these two currencies may adversely affect the number of Common Shares delivered to a Noteholder as a result of an NVCC Automatic Conversion.

The Issuer is expected to have outstanding from time to time other securities including, without limitation, other subordinated indebtedness, that will automatically and immediately convert into Common Shares upon a Non-Viability Trigger Event. Certain other securities of the Issuer may use a lower effective floor price or a higher multiplier than those applicable to the Subordinated Notes to determine the maximum number of Common Shares to be issued to holders of such instruments upon an NVCC Automatic Conversion. Accordingly, holders of Subordinated Notes will receive Common Shares pursuant to an NVCC Automatic Conversion at a time when other securities of the Issuer may be converted into Common Shares at a conversion rate that is more favourable to the holders of such securities than the rate applicable to the holders of Subordinated Notes, therefore the value of the Common Shares received by holders of Subordinated Notes following an NVCC Automatic Conversion could be further diluted.

In addition, in the circumstances surrounding a Non-Viability Trigger Event, the Superintendent or other governmental authorities or agencies may also require other steps to be taken to restore or maintain the viability of the Issuer under the Canadian bank resolution powers, such as the injection of new capital and the issuance of additional Common Shares or other securities. Accordingly, holders of Subordinated Notes will receive Common Shares pursuant to an NVCC Automatic Conversion at a time when other debt obligations of the Issuer may be converted into Common Shares at a conversion rate that is more favourable to the holders of such obligations than the rate applicable to the Subordinated Notes, and additional Common Shares or securities ranking in priority to the Common Shares may be issued, thereby causing substantial dilution to holders of Common Shares, the holders of shares other than Common Shares and the holders of Subordinated Notes, who will become holders of Common Shares upon the Non-Viability Trigger Event.

Given that the Subordinated Notes are subject to an NVCC Automatic Conversion, the Subordinated Notes are not subject to a Bail-in Conversion. However, the Bail-in Regime provides that the CDIC must use its best efforts to ensure that the prescribed types of shares and liabilities are converted only if all subordinate prescribed shares and liabilities and any subordinate non-viability contingent capital (such as the Subordinated Notes) have previously been converted or are converted at the same time. Accordingly, in the case of a Bail-in Conversion, the Subordinated Notes would be subject to an NVCC Automatic Conversion prior to, or at the same time, as a Bail-in Conversion. In addition, the Bail-in Regime prescribes that holders of unsubordinated or senior ranking bail-in eligible instruments, including Senior Notes that are Bail-inable Notes that are subject to a Conversion Order must receive more common shares per dollar amount converted than holders of any subordinate ranking bail-in eligible instruments or NVCC instruments converted, including Subordinated Notes. The holders of Bail-inable Notes that are subject to a Conversion Order would therefore receive Common Shares at a conversion rate that would be more favourable to the holders of such obligations than the rate applicable to holders of the Subordinated Notes.

In addition, fractions of Common Shares will not be issued or delivered pursuant to an NVCC Automatic Conversion and no cash payment will be made in lieu of a fractional Common Share.

The circumstances surrounding or triggering an NVCC Automatic Conversion are unpredictable.

The decision as to whether a Non-Viability Trigger Event will occur is a subjective determination by the Superintendent that is outside the control of the Issuer. OSFI has stated that the Superintendent will consult with the CDIC, the Bank of Canada, the Department of Finance Canada (the “**Department of Finance**”) and the Financial Consumer Agency of Canada prior to making a non-viability determination. The conversion of non-viability contingent instruments alone may not be sufficient to restore an institution to viability and other public sector interventions, including liquidity assistance, would likely be used in tandem with the conversion of non-viability contingent instruments to maintain an institution as a going concern. Consequently, while the Superintendent would have the authority to trigger conversion, in practice, the Superintendent’s decision to

activate the trigger would be conditioned by the legislative provisions and decision frameworks associated with the accompanying interventions by one or more of the CDIC, the Bank of Canada, the Department of Finance and the Financial Consumer Agency of Canada. In assessing whether the Issuer has ceased, or is about to cease, to be viable and that, after the conversion of all contingent instruments, it is reasonably likely that the viability of the Issuer will be restored or maintained, OSFI has stated that the Superintendent would consider, in consultation with the authorities referred to above, all relevant facts and circumstances, including the criteria outlined in relevant legislation and regulatory guidance. Those facts and circumstances may include a consideration of the following criteria, which may be mutually exclusive and should not be viewed as an exhaustive list:

- whether the assets of the Issuer are, in the opinion of the Superintendent, sufficient to provide adequate protection to the Issuer's depositors and creditors;
- whether the Issuer has lost the confidence of depositors or other creditors and the public (for example, ongoing increased difficulty in obtaining or rolling over short-term funding);
- whether the Issuer's regulatory capital has, in the opinion of the Superintendent, reached a level, or is eroding in a manner, that may detrimentally affect its depositors and creditors;
- whether the Issuer has failed to pay any liability that has become due and payable or, in the opinion of the Superintendent, the Issuer will not be able to pay its liabilities as they become due and payable;
- whether the Issuer failed to comply with an order of the Superintendent to increase its capital;
- whether, in the opinion of the Superintendent, any other state of affairs exists in respect of the Issuer that may be materially prejudicial to the interests of the Issuer's depositors or creditors or the owners of any assets under the Issuer's administration; and
- whether the Issuer is unable to recapitalise on its own through the issuance of Common Shares or other forms of regulatory capital (for example, no suitable investor or group of investors exists that is willing or capable of investing in sufficient quantity and on terms that will restore the Issuer's viability, nor is there any reasonable prospect of such an investor emerging in the near-term in the absence of conversion of contingent instruments).

The facts and circumstances that the Superintendent may consider may change from time to time as a result of evolving legal and regulatory developments.

If a Non-Viability Trigger Event occurs, then the interests of the Issuer's depositors, other creditors of the Issuer, and holders of the Issuer's securities, including Senior Notes that are Bail-inable Notes, will all rank in priority to the holders of the Subordinated Notes. The Superintendent retains full discretion to choose whether or not to trigger NVCC Automatic Conversion notwithstanding a determination that the Issuer has ceased, or is about to cease, to be viable. Under such circumstances, the holders of Subordinated Notes may be exposed to losses through the use of other resolution tools or in liquidation. For more information on such resolution tools, see the discussion under "*Canadian bank resolution powers confer substantial powers on Canadian authorities designed to enable them to take a range of actions in relation to the Issuer where a determination is made that the Issuer has ceased, or is about to cease, to be viable and such viability cannot be restored or preserved, which if taken could result in holders or beneficial owners of Senior Notes being exposed to losses*" below.

Because of the inherent uncertainty regarding the determination of when an NVCC Automatic Conversion may occur, it will be difficult to predict when, if at all, the Subordinated Notes will be mandatorily converted into Common Shares. In addition, investors in the Subordinated Notes are likely not to receive any advance notice of the occurrence of a Non-Viability Trigger Event. As a result of this uncertainty, trading behaviour in respect of the Subordinated Notes is not necessarily expected to follow trading behaviour associated with other types of convertible or exchangeable securities. Any indication, whether real or perceived, that the Issuer is trending towards a Non-Viability Trigger Event can be expected to have an adverse effect on the market price of the Subordinated Notes and the Common Shares, whether or not such Non-Viability Trigger Event actually occurs. Therefore, in such circumstances, investors may not be able to sell their Subordinated Notes easily or at prices that will provide them with a return comparable to other types of subordinated securities, including the Issuer's other subordinated debt securities. In addition, subject to the applicable floor price, the risk of NVCC

Automatic Conversion could drive down the price of Common Shares and have a material adverse effect on the market value of Common Shares received upon NVCC Automatic Conversion.

Following an NVCC Automatic Conversion, Noteholders will no longer have rights as a creditor and will only have rights as a holder of Common Shares.

Upon an NVCC Automatic Conversion, the rights, terms and conditions of the Subordinated Notes, including with respect to priority and rights on liquidation, will no longer apply as all such Subordinated Notes will have been converted on a full and permanent basis into Common Shares ranking on parity with all other outstanding Common Shares. If an NVCC Automatic Conversion occurs, then the interest of the Issuer's depositors, other creditors of the Issuer, and holders of the Issuer's securities which are not contingent instruments, including Senior Notes that are Bail-inable Notes, will all rank in priority to the holders of contingent instruments, including the Subordinated Notes.

Given the nature of the Non-Viability Trigger Event, a holder of Subordinated Notes will become a holder of Common Shares at a time when the Issuer's financial condition has deteriorated. If the Issuer were to become insolvent or wound-up after the occurrence of a Non-Viability Trigger Event, as holders of Common Shares, investors may receive substantially less than they might have received had the Subordinated Notes not been converted into Common Shares.

An NVCC Automatic Conversion may also occur at a time when a federal or provincial government or other government agency in Canada has provided, or will provide, a capital injection or equivalent support, the terms of which may rank in priority to the Common Shares with respect to the payment of dividends, rights on liquidation or other terms.

The Issuer's obligations under the Subordinated Notes will be unsecured and subordinated, and the rights of the holders of Subordinated Notes will be further subordinated upon an NVCC Automatic Conversion.

The Subordinated Notes will be the Issuer's direct unsecured subordinated obligations which, if the Issuer becomes insolvent or is wound-up (prior to the occurrence of a Non-Viability Trigger Event), will rank equally with the Issuer's other subordinated indebtedness (other than subordinated indebtedness that has been further subordinated in accordance with its terms and subordinated indebtedness having a priority to the Subordinated Notes by virtue of any law now or hereafter in force) and will be subordinate in right of payment to the claims of the Issuer's depositors and other unsubordinated creditors, including Senior Notes that are Bail-inable Notes.

Therefore, if, prior to the occurrence of a Non-Viability Trigger Event, the Issuer becomes insolvent or is wound-up, the assets of the Issuer would first be applied to satisfy all rights and claims of holders of senior indebtedness (including deposit liabilities). If the Issuer does not have sufficient assets to settle claims of such senior indebtedness holders (including deposit liabilities) in full, the claims of the holders of the Subordinated Notes will not be settled and, as a result, the holders will lose the entire amount of their investment in the Subordinated Notes. The Subordinated Notes will share equally in payment with claims under other subordinated indebtedness (other than subordinated indebtedness that has been further subordinated in accordance with its terms and subordinated indebtedness having a priority to the Subordinated Notes by virtue of any law now or hereafter in force) if the Issuer does not have sufficient funds to make full payments on all of them, as applicable. In such a situation, holders could lose all or part of their investment.

In addition, holders should be aware that, upon the occurrence of a Non-Viability Trigger Event, all of the Issuer's obligations under the Subordinated Notes shall be deemed repaid in full by the issuance of Common Shares upon an NVCC Automatic Conversion, and each holder will be effectively further subordinated due to the change in their status following an NVCC Automatic Conversion from being the holder of a debt instrument ranking ahead of holders of Common Shares to being the holder of Common Shares.

As a result, upon the occurrence of an NVCC Automatic Conversion, the holders could lose all or part of their investment in the Subordinated Notes irrespective of whether the Issuer has sufficient assets available to settle what would have been the claims of the holders of the Subordinated Notes or other securities subordinated to the same extent as the Subordinated Notes, in proceedings relating to an insolvency or winding-up.

Holders do not have anti-dilution protection in all circumstances.

The Floor Price that is used to calculate the Conversion Price is subject to adjustment in a limited number of events:

- (1) the issuance of Common Shares or securities exchangeable for or convertible into Common Shares to all holders of Common Shares as a stock dividend;
- (2) the subdivision, redivision or change of the Common Shares into a greater number of Common Shares; and
- (3) the reduction, combination or consolidation of the Common Shares into a lesser number of Common Shares.

In addition, in the event of a capital reorganisation, consolidation, merger or amalgamation of the Issuer or comparable transaction affecting the Common Shares after the date of this Prospectus, the Issuer will take necessary action to ensure that holders of Subordinated Notes receive, pursuant to an NVCC Automatic Conversion, the number of Common Shares or other securities that such holders would have received if the NVCC Automatic Conversion occurred immediately prior to the record date for such event. However, there is no requirement that there will be an adjustment of the Floor Price or other anti-dilutive action by the Issuer for every corporate or other event that may affect the market price of the Common Shares. Accordingly, the occurrence of events in respect of which no adjustment to the Floor Price is made may adversely affect the number of Common Shares issuable to a holder of Subordinated Notes upon an NVCC Automatic Conversion.

The tax consequences of holding Common Shares following an NVCC Automatic Conversion will likely be different for most categories of holders from the tax consequences for them of holding Subordinated Notes.

Upon the occurrence of a Non-Viability Trigger Event, Subordinated Notes will automatically and immediately convert into Common Shares. The tax consequences of holding Common Shares following an NVCC Automatic Conversion will likely be different for most categories of holders from the tax consequences for them of holding Subordinated Notes. Each prospective investor should consult their own tax advisor regarding the tax consequences of a conversion of the Subordinated Notes into Common Shares.

5. Risks related to the Notes generally

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

(i) Modification and waivers

The agency agreement dated July 21, 2023 between the Issuer, Citibank, N.A., London Branch as Fiscal Agent, Principal Paying Agent and Transfer Agent, Citibank Europe Plc as Paying Agent and Registrar and The Bank of Nova Scotia as Calculation Agent (as amended or supplemented from time to time, the “**Agency Agreement**”) contains provisions for calling meetings (including at a physical location or by means of an electronic platform (such as a conference call or videoconference) or a combination thereof) of Noteholders, or in lieu of a meeting, passing written resolution or obtaining electronic consents to consider matters affecting their interest generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who do not attend and vote at the relevant meeting, sign a written resolution or provide an electronic consent and Noteholders who voted in a manner contrary to the majority.

The Conditions of the Notes also provide that the Agency Agreement, the Notes and any Receipts and Coupons attached to the Notes may be amended by the Issuer, and the Fiscal Agent without the consent of the holder of any Note, Receipt or Coupon (i) for the purpose of curing any ambiguity, or for curing, correcting or supplementing any defective provision contained therein, (ii) to make any further modifications of the terms of the Agency Agreement necessary or desirable to allow for the issuance of any additional Notes (which modifications shall not be materially adverse to holders of outstanding Notes) or (iii) in any manner which the Issuer and the Fiscal Agent may deem necessary or desirable and which shall not materially adversely affect the interests of the holders of the Notes, Receipts and Coupons, provided that an amendment or variance that may affect the eligibility of the Bail-inable Notes to continue to be treated as TLAC under TLAC Guidelines or the eligibility of Subordinated Notes to be treated as regulatory capital under the guidelines for capital adequacy requirements for banks in Canada shall be of no effect unless the prior approval of the Superintendent has been obtained.

(ii) Canadian bank resolution powers confer substantial powers on Canadian authorities designed to enable them to take a range of actions in relation to the Issuer where a determination is made that the Issuer has ceased, or is about to cease, to be viable and such viability cannot be restored or preserved, which if taken could result in holders or beneficial owners of Notes being exposed to losses

Under the CDIC Act, in circumstances where the Superintendent is of the opinion that the Issuer has ceased, or is about to cease, to be viable and viability cannot be restored or preserved by exercise of the Superintendent's powers under the *Bank Act* (Canada), the Superintendent, after providing the Issuer with a reasonable opportunity to make representations, is required to provide a report to CDIC, Canada's resolution authority. Following receipt of the Superintendent's report, CDIC may request the Minister of Finance for Canada (the "**Minister of Finance**") to recommend that the Governor in Council (Canada) make an Order (as defined below) and, if the Minister of Finance is of the opinion that it is in the public interest to do so, the Minister of Finance may recommend that the Governor in Council (Canada) make, and on such recommendation, the Governor in Council (Canada) may make, one or more of the following orders (each an "**Order**"):

- vesting in CDIC, the shares and subordinated debt of the Issuer specified in the Order (a "Vesting Order");
- appointing CDIC as receiver in respect of the Issuer (a "**Receivership Order**");
- if a Receivership Order has been made, directing the Minister of Finance to incorporate a federal institution designated in the Order as a bridge institution wholly-owned by CDIC and specifying the date and time as of which the Issuer's deposit liabilities are assumed (a "Bridge Bank Order"); or
- if a Vesting Order or Receivership Order has been made, directing CDIC to carry out a conversion, by converting or causing the Issuer to convert, in whole or in part – by means of a transaction or series of transactions and in one or more steps – the shares and liabilities of the Issuer that are subject to the Bail-in Regime into common shares of the Issuer or any of its affiliates (a "**Conversion Order**").

Following a Vesting Order or a Receivership Order, CDIC will assume temporary control or ownership of the Issuer and will be granted broad powers under that Order, including the power to sell or dispose of all or a part of the assets of the Issuer, and the power to carry out or cause the Issuer to carry out a transaction or a series of transactions the purpose of which is to restructure the business of the Issuer.

Under a Bridge Bank Order, CDIC has the power to transfer the Issuer's insured deposit liabilities and certain assets and other liabilities of the Issuer to a bridge institution. Upon the exercise of that power, any assets and liabilities of the Issuer that are not transferred to the bridge institution would remain with the Issuer, which would then be wound up. In such a scenario, any liabilities of the Issuer, including any outstanding Notes, that are not assumed by the bridge institution could receive only partial or no payment in the ensuing wind-up of the Issuer.

If the CDIC were to take action under the Canadian bank resolution powers with respect to the Issuer, this could result in holders or beneficial owners of Notes being exposed to losses.

(iii) Notes may be subject to write-off, write down or conversion under the resolution powers of authorities outside of Canada

The Issuer has operations in a number of countries outside of Canada, including in particular the United States and the UK. In accordance with the Financial Stability Board's "Key attributes of effective Resolution Regimes for Financial Institutions" dated October 15, 2014, local resolution authorities should have resolution powers over local branches of foreign firms and the capacity to use their powers either to support a resolution carried out by a foreign home authority (for example, by ordering a transfer of property located in its jurisdiction to a bridge institution established by the foreign home authority) or, in exceptional cases, to take measures on its own initiative where the foreign home authority is not taking action or acts in a manner that does not take sufficient account of the need to preserve the local jurisdiction's financial stability or where other relevant conditions are met.

The UK has implemented such powers and, as such, they may apply to the Issuer's London branch. It

is therefore possible that resolution authorities in countries where the Issuer has branches or assets, including the United States and the UK, may adversely affect the rights of holders of the Notes, including by using any powers they may have to write down or convert the Notes (particularly those governed by local law where the Branch of Account specified in the applicable Final Terms is in the relevant local jurisdiction).

(iv) Change of law

The terms and conditions of the Notes are based on the laws of the Province of Ontario and the federal laws of Canada applicable therein in effect as at the date of this Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to the laws of the Province of Ontario or the federal laws of Canada applicable therein or elsewhere globally, or administrative practice after the date of this Prospectus and before the date on which the relevant Notes are issued. Such changes in law may include, but are not limited to, changes in statutory, tax and regulatory regimes during the life of the Notes.

(v) Notes are Structurally Subordinated to the Liabilities of Subsidiaries

If the Issuer becomes insolvent, its governing legislation provides that priorities among payments of its deposit liabilities and payments of all of its other liabilities (including payments in respect of Notes) are to be determined in accordance with the laws governing priorities and, where applicable, by the terms of the indebtedness and liabilities. Because the Issuer has subsidiaries, a Noteholder's right to participate in any distribution of the assets of the Issuer's banking or non-banking subsidiaries, upon a subsidiary's dissolution, winding-up, liquidation or reorganisation or otherwise, and thus a Noteholder's ability to benefit indirectly from such distribution, is subject to the prior claims of creditors of that subsidiary, except to the extent that the Issuer may be a creditor of that subsidiary and its claims are recognised. There are legal limitations on the extent to which some of the Issuer's subsidiaries may extend credit, pay dividends or otherwise supply funds to, or engage in transactions with, the Issuer or some of the Issuer's other subsidiaries. Accordingly, Notes will be structurally subordinated to all existing and future liabilities of the Issuer's subsidiaries, and holders of Notes may be able to look only to the assets of the Issuer and not those of its subsidiaries for payments on the Notes and may therefore be unable to obtain full payment on the Notes in the event of the Issuer's insolvency.

(vi) Notes not in physical form

Unless the Bearer Global Notes or Global Certificates are exchanged for definitive Notes, which exchange will only occur in the limited circumstances described below in "*Summary of Provisions Relating to the Notes While in Global Form*", the beneficial ownership of the Notes will be recorded in book-entry only form with Euroclear and Clearstream, Luxembourg or another agreed clearing system. The fact that the Notes are not represented in physical form could, among other things:

- result in payment delays on the Notes because distributions on the Notes will be sent by, or on behalf of, the Issuer to Euroclear or Clearstream, Luxembourg or another agreed clearing system instead of directly to Noteholders;
- make it difficult for Noteholders to pledge the Notes as security if Notes in physical form are required or necessary for such purposes; and
- hinder the ability of Noteholders to resell the Notes because some investors may be unwilling to buy Notes that are not in physical form.

(vii) Investors in Bearer Notes who hold less than the minimum Specified Denomination (including after a partial Bail-in Conversion or any other resolution action) may be unable to sell their Bearer Notes and may be adversely affected if definitive Notes are subsequently to be issued.

In relation to any issue of Bearer Notes which has denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount, it is possible that such Bearer Notes may be traded in the clearing systems in amounts in excess of the minimum Specified Denomination that are not integral multiples of such minimum Specified Denomination. In addition, in the case of a partial Bail-in Conversion of Bail-inable Notes or any resolution action in respect of Notes generally, a holder may as a result of such partial Bail-in Conversion and any other resolution action end up with an amount that is less than a Specified Denomination. In such a case, a Noteholder who, as a result of trading such amounts or such partial Bail-in

Conversion and any other resolution action, holds an amount which is less than the minimum Specified Denomination in its account with the relevant clearing system would not be able to sell the remainder of such holding without first purchasing a principal amount of Bearer Notes at or in excess of the minimum Specified Denomination such that its holding amounts to a Specified Denomination. Further, a Noteholder who, as a result of trading such amounts or such partial Bail-in Conversion and any other resolution action, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system at the relevant time may not receive a definitive Bearer Note in respect of such holding (should definitive Bearer Notes be provided) and would need to purchase a principal amount of Bearer Notes at or in excess of the minimum Specified Denomination such that its holding amounts to a Specified Denomination before definitive Bearer Notes are issued to such Noteholder.

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

(viii) Tax treatment

The tax treatment of any amount to be paid in relation to the Notes to a Noteholder may reduce such Noteholder's effective yield on the Notes. In particular, the tax treatment of certain types of Reference Item Linked Notes is uncertain. Prospective investors should consult their tax advisors about their own tax situation.

(ix) U.S. Hiring Incentives to Restore Employment Act withholding may affect payments on the Notes

The U.S. Hiring Incentives to Restore Employment Act (the "**HIRE Act**") imposes a 30 per cent. withholding tax on amounts attributable to U.S. source dividends that are paid or "deemed paid" under certain financial instruments if certain conditions are met (each such instrument, a "**Specified Security**"). If the Issuer or any withholding agent determines that withholding is required, neither the Issuer nor any withholding agent will be required to pay any additional amounts with respect to amounts so withheld. Prospective investors should refer to "*Certain Tax Legislation Affecting the Notes – U.S. Dividend Equivalent Withholding (Section 871(m)/HIRE Act)*".

For purposes of withholding under the U.S. Foreign Account Tax Compliance Act, commonly known as FATCA, Specified Securities are subject to a different grandfathering rule than other Notes or are not subject to a grandfathering rule. Prospective investors should refer to the section "*Certain Tax Legislation Affecting the Notes – U.S. Dividend Equivalent Withholding (Section 871(m)/HIRE Act) – Foreign Account Tax Compliance Act*".

5. Financial risks related to the market generally

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

(i) The secondary market generally; current lack of liquidity

Notes may have no established trading market when issued, and one may never develop. If a market for the Notes does develop, it may not be very liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a return comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities.

Illiquidity may have a severely adverse effect on the market value of Notes and investors may suffer losses on the Notes in secondary market transactions even if there is no decline in the performance of the Issuer. In addition, liquidity may be limited if the Issuer makes large allocations to a limited number of investors.

(ii) No obligation to maintain listing

The Issuer is not under any obligation to Noteholders to maintain any listing of Notes, and not all Notes will be listed on the SGX-ST. If at any time the Issuer after exercise of all reasonable endeavours, is unable to comply with the requirements for maintaining the listing of the Notes on any such stock exchange on which the Notes are listed or if the Issuer acting reasonably, has determined that the maintenance of such listing has become unduly onerous, the Issuer will use its best endeavours to obtain and maintain a listing of the Notes on some other major stock exchange or exchanges agreed between Issuer and the Dealers, provided such other stock exchange shall be commonly used for the listing and trading of debt securities in the international bond markets.

In addition, in certain circumstances, the Issuer may elect, without the consent of the Noteholders, to terminate its listing of the Notes on the SGX-ST and use its best endeavours to obtain and maintain an alternative listing for the Notes on another major stock exchange or exchange agreed between the Issuer.

Although there is no assurance as to the liquidity of any Notes as a result of the listing on SGX-ST, delisting such Notes may have a material effect on an investor's ability to (i) continue to hold such Notes or (ii) resell the Notes in the secondary market.

(iii) Exchange rate risks and exchange controls.

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

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal or receive payments in a significantly devalued Specified Currency.

(iv) Certain currencies are not freely convertible; are subject to restrictions on transfer; and/or may be subject to other limitations

Notes may be issued in one or more currencies that are not freely convertible into other currencies, or are subject to restrictions on remittance and transfer. Instruments may also be issued in one or more currencies that are limited in their availability, which in turn may affect the liquidity of Instruments denominated in such currencies and the Issuer's ability to source such currencies to service the Notes. In addition, unanticipated changes in government regulation may further impact the availability and convertibility of certain currencies, which would impact the suitability of such Notes as well as the Issuer's ability to source such currencies to service the Notes.

(v) Fixed Rate Notes bear interest at a fixed rate, which may affect the secondary market value and/or the real value of the Notes over time due to fluctuations in market interest rates and the effects of inflation

Fixed Rate Notes bear interest at a fixed rate. Investors should note that (i) if market interest rates start to rise then the income to be paid on Fixed Rate Notes might become less attractive and the price the investors may get if they sell such Fixed Rate Notes could fall and (ii) inflation will reduce the real value of the Fixed Rate Note over time which may affect what investors can buy with the investments in the future and which may make the fixed interest rate on the Fixed Rate Notes less attractive in the future.

(vi) Credit ratings might not reflect all risks and are subject to change

One or more independent credit rating agencies may assign credit ratings to the Notes. The ratings might not reflect the potential impact of all risks related to structure, market, additional factors discussed above and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time. Investors may suffer losses if a credit rating assigned to the Notes does not reflect the then creditworthiness of such Note.

In general, EEA regulated investors are restricted under the EU CRA Regulation from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU and registered under the EU CRA Regulation (and such registration has not been withdrawn or suspended). Such general restriction will also apply in the case of credit ratings issued by non-EEA credit rating agencies, unless the relevant credit ratings are endorsed by an EEA registered credit rating agency or the relevant non-EEA rating agency is certified in accordance with the EU CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended,). Similarly, UK regulated investors are, in general, restricted under the UK CRA Regulation, from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the UK and registered under the UK CRA Regulation (and such registration has not been withdrawn or suspended). Such general restriction will also apply in the case of credit ratings issued by non-UK credit rating agencies, unless the relevant credit ratings are endorsed by a UK credit rating agency or the relevant non-UK registered credit rating agency is certified in accordance with the UK CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended).

There is no assurance that a rating will remain for any given period of time or that a rating will not be suspended, lowered or withdrawn by the relevant rating agency if, in its judgement, circumstances in the future so warrant. In the event that a rating assigned to the Notes or the Issuer is subsequently suspended, lowered or withdrawn for any reason and no person or entity is obliged to provide any additional support or credit enhancement with respect to the Notes, the Issuer may be adversely affected, the market value of the Notes is likely to be adversely affected and the ability of the Issuer to make payments under the Notes may be adversely affected.

If the status of the rating agency rating the Notes changes for the purposes of the EU CRA Regulation or the UK CRA Regulation, relevant regulated investors may no longer be able to use the rating for the regulatory purposes of the EEA or the UK, as applicable, and the Notes may have a different regulatory treatment which may adversely impact the value of the Notes and their liquidity in the secondary market.

6. Notes denominated in Renminbi are subject to additional risks.

Notes denominated in Renminbi (“**RMB Notes**”) may be issued under the Programme. RMB Notes contain particular risks for potential investors.

(i) Renminbi or “RMB” (the lawful currency of the Republic of China “PRC”) is not completely convertible; there are significant restrictions on remittance of Renminbi into and out of the PRC which may adversely affect the liquidity of RMB Notes

Renminbi is not completely convertible at present. The PRC government continues to regulate conversion between Renminbi and foreign currencies. However, there has been significant reduction in control by the PRC government in recent years, particularly over trade transactions involving the import and export of goods and services as well as other frequent routine foreign exchange transactions. These transactions are known as current account items.

On the other hand, remittance of Renminbi into and out of the PRC for the settlement of capital account items, such as capital contributions, debt financing and securities investment, is generally only permitted upon obtaining specific approvals from, or completing specific registrations or filings with, the relevant currency control authorities or a close review by qualified local banks, on a case-by-case basis and is subject to a strict monitoring system.

Qualified participating banks (the “**Participating Banks**”) in clearing banks outside the PRC have already been permitted to engage in the settlement of current account trade transactions in Renminbi. Although regulations in the PRC on the remittance of Renminbi into and out of the PRC for settlement of capital account items continue to develop gradually, the Participating Banks have been permitted to settle designated capital account items (e.g. direct capital investment and approved securities investments).

Although effective from 1 October 2016, Renminbi was included in the Special Drawing Rights basket as the fifth currency (along with the U.S. dollar, the euro, Japanese yen and Sterling) and effective from 1 August 2022, the weight of the Renminbi in the SDR valuation basket was raised from 10.92% to 12.28%, there is no assurance that the PRC government will continue to liberalise control over cross-border Renminbi remittances in

the future, that the schemes for Renminbi cross-border utilisation will not be discontinued or that new PRC regulations will not be promulgated in the future which have the effect of restricting or eliminating the remittance of Renminbi into or out of the PRC. If the Issuer decided to remit some or all of the proceeds of issue of RMB Notes into the PRC in Renminbi, its ability to do so will be subject to obtaining (without guarantee) all necessary approvals from, or registration with, the relevant PRC government authorities. If the Issuer does remit some or all of the proceeds of issue of RMB Notes into the PRC in Renminbi and the Issuer subsequently is not able to repatriate funds outside the PRC in Renminbi, this may affect the ability of the Issuer to source Renminbi to perform its obligations under the RMB Notes.

(ii) There is only limited availability of RMB outside the PRC, which may affect the liquidity of RMB Notes and the Issuer's ability to source RMB outside the PRC to service such RMB Notes

As a result of the restrictions by the PRC government on cross-border RMB fund flows, the availability of RMB outside the PRC is limited. While the People's Bank of China (the "PBoC") has established Renminbi clearing and settlement mechanisms and entered into agreements on the clearing of RMB business with financial institutions that have been permitted to engage in the settlement of transactions in Renminbi in a number of financial centres and cities (the "Renminbi Clearing Banks"), the current size of RMB denominated financial assets outside the PRC remains limited.

The Participating Banks do not have other direct RMB liquidity support from the PBoC. The RMB Clearing Banks only have access to onshore liquidity support from the PBoC for the purpose of squaring open positions of Participating Banks for limited types of transactions and are not obliged to square for the Participating Banks any open positions resulting from other foreign exchange transactions or conversion services. In cases where the Participating Banks cannot source sufficient Renminbi through the above channels, they will need to source Renminbi from outside the PRC to square such open positions.

Although it is expected that the offshore Renminbi market will continue to grow in depth and size, its growth is subject to many constraints as a result of PRC laws and regulations on foreign exchange. There is no assurance that new PRC regulations will not be promulgated or the agreements on the clearing of Renminbi entered into by the PBoC and the relevant Renminbi Clearing Banks will not be terminated or amended in the future which will have the effect of restricting availability of Renminbi offshore. The limited availability of Renminbi outside the PRC may affect the liquidity of the RMB Notes. To the extent the Issuer is required to source Renminbi in the offshore market to service its RMB Notes, there is no assurance that the Issuer will be able to source such Renminbi on satisfactory terms, if at all.

(iii) Investment in the RMB Notes is subject to exchange rate risks

The value of the Renminbi against the U.S. dollar and other foreign currencies fluctuates from time to time and is affected by changes in the PRC and international political and economic conditions as well as many other factors. Recently, the PBoC implemented changes to the way it calculates the Renminbi's daily midpoint against the U.S. dollar to take into account market-maker quotes before announcing such daily midpoint. This change and others that may be implemented, may increase the volatility in the value of the Renminbi against other currencies. Except in the limited circumstances as described in the Conditions, the Issuer will make all payments of interest and principal with respect to the RMB Notes in Renminbi. As a result, the value of these Renminbi payments in U.S. dollars or other applicable foreign currency terms may vary with the changes in the prevailing exchange rates in the marketplace. If the value of Renminbi depreciates against the U.S. dollar or other applicable foreign currency, the value of a Noteholder's investment in U.S. dollar or other applicable foreign currency terms will decline.

(iv) Investment in the RMB Notes is subject to currency risks

If the Issuer is not able, or it is impracticable for it, to satisfy its obligation to pay interest and principal on the RMB Notes when due, in whole or in part, in Renminbi in the relevant RMB Settlement Centre(s) (as defined in the Conditions) as a result of Inconvertibility, Non transferability or Illiquidity (each, as defined in the Conditions), the Issuer shall be entitled, on giving not less than five nor more than 30 days' irrevocable notice to the Noteholders prior to the due date for payment, to settle any such payment, in whole or in part, in U.S. dollars on the due date at the U.S. Dollar Equivalent (as defined in the Conditions) of any such interest or principal amount otherwise payable in Renminbi, as the case may be. See also "Exchange rate risks and exchange controls" below.

(v) *Payments with respect to the RMB Notes may be made only in the manner designated in the RMB Notes*

Noteholders of beneficial interests in the RMB Notes may be required to provide certifications and other information (including RMB account information) in order to allow such holder to receive payments in RMB in accordance with the RMB clearing and settlement system for the Participating Banks in the relevant RMB Settlement Centre(s) (as defined in the Conditions).

All Renminbi payments to investors in respect of the RMB Notes will be made solely (i) for so long as the RMB Notes are represented by global certificates form held with the common depository for Euroclear and Clearstream, Luxembourg or any alternative clearing system, by transfer to an RMB bank account maintained in the relevant RMB Settlement Centre in accordance with prevailing rules and procedures of those clearing systems or (ii) for so long as the RMB Notes are in definitive form, by transfer to an RMB bank account maintained in the relevant RMB Settlement Centre in accordance with prevailing rules and regulations. Other than as described under the Conditions, the Issuer cannot be required to make payment in relation to RMB Notes by any other means (including in any other currency or by transfer to a bank account in the PRC).

(vi) *There may be PRC tax consequences with respect to investment in the RMB Notes*

In considering whether to invest in the RMB Notes, investors should consult their individual tax advisers with regard to the application of PRC tax laws to their particular situations as well as any tax consequences arising under the laws of any other tax jurisdictions. The value of a Noteholder's investment in the RMB Notes may be materially and adversely affected if the Noteholder is required to pay PRC tax with respect to acquiring, holding or disposing of and receiving payments under those RMB Notes.

7. Risks related to payment of Notes in an Alternative Currency or Payment Currency

INVESTORS IN SYNTHETIC CURRENCY NOTES MAY LOSE THE ENTIRE VALUE OF THEIR INVESTMENT OR PART OF IT.

The Issuer's primary obligation is to make all payments of interest, principal and other amounts with respect to Notes in the relevant Specified Currency. However, if Condition 6(k), which provides for payment in U.S. dollars (the "**Alternative Currency**") in certain circumstances, is specified to be applicable and if access to the Specified Currency becomes restricted, the Issuer will be entitled to make any such payment in the Alternative Currency at the rates, and in the manner, set out in Condition 6(k).

In addition, if the Synthetic Currency Asset Conditions as set out in Annex 7 of this Base Prospectus are specified to be applicable in respect of any Notes ("**Synthetic Currency Notes**"), such Notes may be denominated in the Specified Currency but payable in another currency (the "**Payment Currency**").

In each case, the value of the Notes could therefore be affected by fluctuations in the value of the Specified Currency as compared to the Alternative Currency or the Payment Currency, as the case may be. There is a risk that the exchange rate (or the exchange rates) used to determine the Alternative Currency or Payment Currency amount of any payments in respect of the Notes may significantly change (including changes due to devaluation or revaluation of the Specified Currency) or that authorities with jurisdiction over such currencies could cause a decrease in (1) the Alternative Currency or Payment Currency equivalent yield on the Notes, (2) the Alternative Currency or Payment Currency equivalent value of the amount payable in respect of the relevant Final Redemption Amount of the Notes and (3) the Alternative Currency or Payment Currency equivalent market value of the Notes. Therefore, there is a possibility that the Alternative Currency or Payment Currency value of the Notes at the time of any sale or redemption or cancellation, as the case may be, of the Notes may be below the value of the investor's original investment in the Notes, depending on the exchange rate at the time of any such sale or redemption or cancellation, as the case may be.

(i) *Factors affecting the relevant foreign exchange rate*

The rate at which amounts will be converted into the Alternative Currency or Payment Currency is dependent upon the 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. Such measures include, without limitation, 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 and the availability of a specified currency.

(ii) Currencies of emerging markets jurisdictions pose particular risks

Notes denominated in emerging market currencies can be significantly more volatile than currencies of developed markets and are more likely to be the subject of events that disrupt a particular market for a currency. Synthetic Currency FX Disruption Events that may apply to Synthetic Currency Notes are set out in Synthetic Currency Asset Condition 2. Upon the occurrence of a Synthetic Currency FX Disruption Event, the determination of the amount payable on Synthetic Currency Notes may be delayed or determined according to alternative exchange rates, which may adversely affect the value of such Notes.

(iii) Principal Protection

Foreign exchange fluctuations between an investor's home currency (or the Specified Currency) and the Payment Currency may affect investors who intend to convert gains or losses from the exercise or sale of Notes into their home currency and may eventually cause a partial or total loss of the investor's initial investment. In particular, Notes with terms linked to the performance of foreign exchange rates of emerging market currencies may experience greater volatility and less certainty as to the future of such emerging market currencies or their rate of exchange as against other currencies.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents which have previously been published or are published simultaneously with this Prospectus and as of the date of this Prospectus shall be deemed to be incorporated in, and to form part of, this Prospectus:

- (1) the Issuer's Annual Information Form dated November 29, 2022 for the year ended October 31, 2022 excluding all information incorporated therein by reference (the "**2022 Annual Information Form**");
- (2) the Issuer's audited consolidated financial statements, comprised of the consolidated statements of financial position as at October 31, 2022 and October 31, 2021 and the consolidated statements of income, comprehensive income, changes in equity and cash flows for each of the years in the two-year period ended October 31, 2022, prepared in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board, together with the auditors' report thereon and Management's Discussion and Analysis of Financial Condition and Results of Operations for the year ended October 31, 2022 (the "**2022 MD&A**"), all as set out on pages 14 to 230 of the Issuer's 2022 Annual Report (the "**2022 Annual Report**");
- (3) the annual report on Form 40-F (the "**Report on Form 40-F**") filed with the United States Securities and Exchange Commission (SEC) pursuant to the Securities Exchange Act 1934 (the "**Exchange Act**"), in respect of the Issuer's fiscal year ended October 31, 2022;
- (4) the Issuer's comparative unaudited interim consolidated financial statements and management's discussion and analysis for the three month and six month periods ended 30 April 2023, as set out in the Issuer's 2023 Second Quarter Report to Shareholders (the "**2023 Second Quarter Report**"), prepared in accordance with International Financial Reporting Standards, together with the management's discussion and analysis for the three month and six month periods ended 30 April 2023, set out on pages 3 through 57 of the 2023 Second Quarter Report; and
- (5) the section entitled "Terms and Conditions of the Notes" set out in the Issuer's base prospectuses (where applicable) dated December 9, 2020, December 12, 2018, November 29, 2018, February 1, 2017, January 8, 2016, April 1, 2015 and January 21, 2014.

For the avoidance of doubt, the applicable Final Terms for a Tranche of Notes will indicate the Terms and Conditions applicable to such Tranche of Notes and, unless otherwise indicated in the applicable Final Terms, the Terms and Conditions of all Notes issued after the date hereof shall be those set out in this Prospectus. Information, documents or statements expressed to be incorporated by reference into or form part of the documents noted above shall not form part of this Prospectus. Any non-incorporated parts of a document referred to herein are either deemed not relevant for an investor or are otherwise covered elsewhere in this Prospectus.

Any audited annual financial statements and interim financial statements published thereafter, any Report on Form 40-F filed on an annual basis with the SEC thereafter and any Material Change Report on Form 51-102F3 (the "**Material Change Report**") filed with the Ontario Securities Commission thereafter, by the Issuer (as at the date of this Prospectus) shall be deemed to be incorporated in, and to form part of, this Prospectus, save that any statement contained in this Prospectus or in any of the documents incorporated by reference in, and forming part of, this Prospectus shall be deemed to be modified or superseded for the purpose of this Prospectus to the extent that a statement contained in any document subsequently incorporated by reference modifies or supersedes such statement.

Copies of this Prospectus and the documents incorporated by reference in this Prospectus can be obtained on written request and without charge from the principal executive offices of the Issuer from the Executive Vice-President and General Counsel, The Bank of Nova Scotia, 40 Temperance Street, Toronto, Ontario, Canada M5H 0B4, Canada, Telephone: +1 (416) 866-3672, and will be available free of charge from the specified office of each Paying Agent set out at the end of this Prospectus. Copies of any Report on Form 40-F can also be obtained without charge on the SEC's online system, EDGAR (Electronic Data Gathering, Analysis and Retrieval) at www.sec.gov/edgar.shtml. Any Material Change Report can be obtained without charge on the

Canadian Securities Administrators' online system, SEDAR (the System for Electronic Document Analysis and Retrieval) at www.sedar.com.

Except for certain supplementary financial information in respect of the years ending October 31, 2022 and earlier (which has been prepared in accordance with Canadian generally accepted accounting standards) and for non-GAAP measures (whose basis of preparation is specified therein) included in the Ten-Year Statistical Revised section of the Issuer's 2022 MD&A, information incorporated by reference herein or otherwise contained in this Prospectus has been prepared in accordance with IFRS as issued by the International Accounting Standards Board.

ISSUE OF NOTES

Notes issued by the Issuer will be issued on a continuous basis in series (each a “**Series**”) having one or more issue dates. All Notes of the same Series shall have identical terms (or identical other than in respect of the issue date, the issue price and the date of the first payment of interest and the date from which interest starts to accrue), it being intended that each Note of a Series will be interchangeable with all other Notes of that Series. Each Series may be issued in tranches (each a “**Tranche**”) on different issue dates and at different issue prices. The specific terms of each Tranche will be set forth in the applicable final terms to this Prospectus (each “**Final Terms**”). The Final Terms relating to each Tranche of Notes will be in, or substantially in, the form attached to this Prospectus.

SUPPLEMENTARY PROSPECTUSES

The Issuer will, in the event of any significant new factor, material mistake or material inaccuracy relating to the information included in this Prospectus (as amended and supplemented by any prior Supplementary Prospectus) which is capable of affecting the assessment of any Notes, prepare or procure the preparation of a Supplementary Prospectus which shall amend and/or supplement this Prospectus (as amended and supplemented from time to time) or publish a new Prospectus for use in connection with any subsequent issue of Notes. The obligation to supplement this Prospectus in the event of a significant new factor, material mistake or material inaccuracy does not apply once this Prospectus is no longer valid.

FORM OF NOTES

The Notes of each Series will be in either bearer form, with or without interest coupons attached, or registered form, without interest coupons attached. Bearer Notes will be issued outside the United States in reliance on Regulation S under the Securities Act (“**Regulation S**”) and Registered Notes will be issued outside the United States in reliance on the exemption from registration provided by Regulation S.

Each Tranche of Bearer Notes having an original maturity of more than one year will initially be represented by a Temporary Bearer Global Note and each Tranche of Bearer Notes having an original maturity of one year or less will initially be represented by a Permanent Bearer Global Note which, in each case, will be delivered on or prior to the issue date thereof to a common depository on behalf of Euroclear and/or Clearstream, Luxembourg or any other agreed clearing system as further described in the “*Form of Notes*” herein.

No interest will be payable in respect of a Temporary Bearer Global Note except as described under “*Summary of Provisions Relating to the Notes while in Global Form*”. Interests in Temporary Bearer Global Notes will be exchangeable for interests in Permanent Bearer Global Notes or, if so stated in the applicable Final Terms, for definitive Bearer Notes after the date falling not earlier than 40 days after the issue date upon certification as to non-U.S. beneficial ownership or (in the case of Exchangeable Bearer Notes) definitive Registered Notes at any time after the issue date. Interests in Permanent Bearer Global Notes will be exchangeable for definitive Bearer Notes or (in the case of Exchangeable Bearer Notes) definitive Registered Notes, if so indicated in the applicable Final Terms, as described under “*Summary of Provisions Relating to the Notes while in Global Form*”.

Registered Notes will be represented by Note certificates (each a “**Certificate**”), one Certificate being issued in respect of each Noteholder’s entire holding of Registered Notes of one Series. Registered Notes which are held in Euroclear and/or Clearstream, Luxembourg or any other agreed clearing system will be registered in the name of the nominees for Euroclear and/or Clearstream, Luxembourg or such other agreed clearing system, or a common nominee for all such clearing systems, and the relative Certificate(s) will be delivered to the appropriate depository or, as the case may be, a common depository.

Bearer Notes will be issued in compliance with the principles of the former U.S. Treasury Regulation §1.163-5(c)(2)(i)(D) (or any successor U.S. Treasury regulation section including, without limitation, regulations issued in accordance with U.S. Internal Revenue Service Notice 2012-20 or otherwise in connection with the U.S. Hiring Incentives to Restore Employment Act of 2010) (the “**TEFRA D Rules**”) unless (i) the applicable Final Terms state that the Bearer Notes are issued in compliance with the former U.S. Treasury Regulation §1.163-5(c)(2)(i)(C) (or any successor U.S. Treasury regulation section including, without limitation, regulations issued in accordance with U.S. Internal Revenue Service Notice 2012-20 or otherwise in connection with the U.S. Hiring Incentives to Restore Employment Act of 2010) (the “**TEFRA C Rules**”) or (ii) the Bearer Notes are issued other than in compliance with the TEFRA D Rules or the TEFRA C Rules but in circumstances in which the Bearer Notes will not constitute “registration required obligations” under the United States Tax Equity and Fiscal Responsibility Act of 1982 (“**TEFRA**”), which circumstances will be referred to in the applicable Final Terms as a transfer to which TEFRA is not applicable.

Bearer Notes will be issued in compliance with subsection 240(2) of the *Income Tax Act* (Canada). Under that provision, where a right to interest on a debt obligation is evidenced by a coupon or other writing that does not form part of, or is capable of being detached from, the evidence of indebtedness, the coupon or other writing is to be marked or identified in prescribed manner by the letters “AX” in the case of a “taxable obligation” (as defined) or the letter “F” in the case of a “non-taxable obligation” (as defined).

The following legend will appear on all Bearer Notes (other than Temporary Bearer Global Notes), receipts and interest coupons relating to such Notes where TEFRA D is specified in the applicable Final Terms:

“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.”

A Note may be accelerated by the holder thereof in certain circumstances described in Condition 9. In such circumstances, where any Note is still represented by a Bearer Global Note or Global Certificate and the Bearer Global Note or, as the case may be, Global Certificate (or any part thereof) has become due and repayable in accordance with the Terms and Conditions of such Notes and payment in full of the amount due has not been

made in accordance with the provisions of the Bearer Global Note or, as the case may be, Global Certificate then from 8.00 p.m. (London time) on such day holders of interests in such Bearer Global Note or, as the case may be, Global Certificate credited to their accounts with Euroclear and/or Clearstream, Luxembourg, as the case may be, will become entitled to proceed directly against the Issuer on the basis of statements of account provided by Euroclear and/or Clearstream, Luxembourg on and subject to the terms of a deed of covenant executed by the Issuer.

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

The following legend will appear on Notes identified as Bail-inable Notes in the applicable Final Terms:

“THESE NOTES ARE SUBJECT TO CONVERSION IN WHOLE OR IN PART – BY MEANS OF A TRANSACTION OR SERIES OF TRANSACTIONS AND IN ONE OR MORE STEPS – INTO COMMON SHARES OF THE ISSUER OR ANY OF ITS AFFILIATES UNDER SUBSECTION 39.2(2.3) OF THE *CANADA DEPOSIT INSURANCE CORPORATION ACT* (“**CDIC ACT**”) AND TO VARIATION OR EXTINGUISHMENT IN CONSEQUENCE AND BY THE APPLICATION OF THE LAWS OF THE PROVINCE OF ONTARIO AND THE FEDERAL LAWS OF CANADA APPLICABLE THEREIN IN RESPECT OF THE OPERATION OF THE CDIC ACT WITH RESPECT TO THESE NOTES.”

THE BANK OF NOVA SCOTIA

History and Development of the Issuer

The Issuer was granted a charter under the laws of the Province of Nova Scotia in 1832 and commenced operations in Halifax, Nova Scotia in that year. Since 1871, the Issuer has been a chartered bank under the *Bank Act* (Canada). The Issuer is a Schedule I bank under the *Bank Act* (Canada) and the *Bank Act* (Canada) is its charter. The head office of the Issuer is located at 1709 Hollis Street, Halifax, Nova Scotia, B3J 3B7 and its executive offices are at 40 Temperance Street, Toronto, Ontario, Canada M5H 0B4.

The Issuer is a Canadian-headquartered bank and a leading bank in the Americas. The Issuer helps its customers, their families and their communities achieve success through a broad range of advice, products and services, including personal and commercial banking, wealth management and private banking, corporate and investment banking, and capital markets.

Certain information regarding the Issuer is incorporated by reference into this Prospectus. See “*Documents Incorporated by Reference*”.

Principal Activities and Markets

A profile of each of the Issuer’s major business lines is discussed below and additional information on the Issuer’s business lines is available in the Management’s Discussion and Analysis for the year ended October 31, 2022, as may be updated from time to time, incorporated by reference herein.

Canadian Banking provides a full suite of financial advice and banking solutions, supported by an excellent customer experience, to over 10 million Retail, Small Business and Commercial Banking customers. It serves these customers through its network of 941 branches, more than 3,725 automated banking machines (“**ABMs**”), as well as online, mobile, telephone banking and specialized sales teams. Canadian Banking also provides an alternative self-directed banking solution to over two million Tangerine Bank customers. Canadian Banking is comprised of Retail Banking and Business Banking.

International Banking is a strong and diverse franchise with over 11 million Retail, Corporate and Commercial customers. The geographical footprint encompasses the Pacific Alliance countries of Mexico, Chile, Peru, and Colombia, as well as Central America, the Caribbean, and Uruguay.

Global Banking and Markets (“**GBM**”) provides the Issuer’s corporate clients with lending and transaction services, investment banking advice and access to capital markets. GBM is a full-service wholesale bank in the Americas, with operations in 21 countries, serving clients across Canada, the United States, Latin America, Europe and Asia-Pacific.

Global Wealth Management is focused on delivering comprehensive wealth management advice and solutions to clients across the Issuer’s footprint. Global Wealth Management serves over 2 million investment fund and advisory clients across 13 countries, administering over \$500 billion in assets.

Competition

The Canadian banking system consists of numerous banks and other financial institutions. Certain large Canadian banks are required by law to be widely held because their equity exceeds a threshold of \$12 billion. These banks compete nationwide through extensive branch networks, ABMs, telephone, internet and mobile banking offerings. As disclosed in the Issuer’s 2022 Annual Information Form, in total, the Canadian system includes 35 domestic banks, 15 foreign banks and numerous credit unions and *caisses populaires*. More broadly, the Canadian financial services industry includes thousands of institutions such as life insurance companies, property and casualty insurers, consumer finance companies, independent investment dealers and independent retail mutual fund management companies.

Competition is reflected in the range of products and services offered, innovation in features, services, technology and delivery, as well as the various pricing schemes adopted. Additionally, a growing number of service providers in the Canadian marketplace are offering alternative channels and competition in the payments

space. The increased number of new entrants into the financial services sector in recent years has also underscored an enhanced level of competition.

The Issuer is a financial services provider in the Americas. In providing these services and products, the Issuer competes with local and international banks and other financial institutions.

Organizational Structure

The following table presents the principal subsidiaries⁽¹⁾ the Issuer owns, directly or indirectly, as at October 31, 2022. All of these subsidiaries are included in the Issuer's consolidated financial statements.

As at October 31 (\$ millions)	Principal office	Carrying value of shares	
		2022	2021
<u>Canadian</u>			
1832 Asset Management L.P.	Toronto, Ontario	\$3,785	\$2,680
BNS Investments Inc.	Toronto, Ontario	15,750	15,200
Montreal Trust Company of Canada	Montreal, Quebec		
The Bank of Nova Scotia Trust Company	Toronto, Ontario	214	185
National Trust Company	Stratford, Ontario	374	366
RoyNat Inc.	Calgary, Alberta	594	518
Scotia Capital Inc.	Toronto, Ontario	3,215	2,818
Scotia Dealer Advantage Inc.	Burnaby, British Columbia	867	729
Scotia Mortgage Corporation	Toronto, Ontario	810	750
Scotia Securities Inc.	Toronto, Ontario	63	53
Tangerine Bank	Toronto, Ontario	3,827	3,405
Jarislowsky, Fraser Limited	Montreal, Quebec	988	1,027
MD Financial Management Inc.	Ottawa, Ontario	2,781	2,761
<u>International</u>			
Scotiabank Colpatria S.A. (51%)	Bogota, Colombia	842	995
BNS International (Bahamas) Limited	Nassau, Bahamas	17,180	17,543
BNS Asia Limited	Singapore		
The Bank of Nova Scotia Trust Company (Bahamas) Limited	Nassau, Bahamas		
Grupo BNS de Costa Rica, S.A.	San Jose, Costa Rica		
Scotiabank & Trust (Cayman) Ltd.	Grand Cayman, Cayman Islands		
Scotiabank (Bahamas) Limited	Nassau, Bahamas		

As at October 31 (\$ millions)	Principal office	Carrying value of shares	
		2022	2021
Scotiabank (Ireland) Designated Activity Company	Dublin, Ireland		
Grupo Financiero Scotiabank Inverlat, S.A. de C.V. (97.4%)	Mexico City, Mexico	5,960	4,714
Nova Scotia Inversiones Limitada	Santiago, Chile	6,114	5,173
Scotiabank Chile S.A. (99.79%)	Santiago, Chile		
Scotia Holdings (US) Inc. ⁽²⁾	New York, New York		
Scotia Capital (USA) Inc. ⁽²⁾⁽³⁾	New York, New York		
Scotiabank Brasil S.A. Banco Multiplo	Sao Paulo, Brazil	788	280
Scotiabank Caribbean Holdings Ltd.	Bridgetown, Barbados	1,550	1,630
Scotia Group Jamaica Limited (71.8%)	Kingston, Jamaica		
The Bank of Nova Scotia Jamaica Limited	Kingston, Jamaica		
Scotiabank Trinidad and Tobago Limited (50.9%)	Port of Spain, Trinidad and Tobago		
Integra Properties Ltd, S.A. (formerly Scotiabank (Panama) S.A.)	Panama City, Panama		
Scotiabank Uruguay S.A.	Montevideo, Uruguay	478	440
Scotiabank Europe plc	London, United Kingdom	2,478	2,273
Scotia Peru Holdings S.A.	Lima, Peru	4,961	4,277
Scotiabank Peru S.A.A. (99.31%)	Lima, Peru		
Profuturo AFP S.A.	Lima, Peru		
Scotiabank Republica Dominicana, S.A. – Banco Multiple (99.80%)	Santo Domingo, Dominican Republic	906	775
Scotiabank Barbados Limited	Bridgetown, Barbados	273	235

(1) The Issuer (or immediate parent of an entity) owns 100% of the outstanding voting shares of each subsidiary unless otherwise noted.

(2) The carrying value of this subsidiary is included with that of its parent, BNS Investments Inc.

(3) The carrying value of this subsidiary is included with that of its parent, Scotia Holdings (US) Inc.

The Issuer also engages in business in its own right. Its assets are therefore comprised of both shares in the above subsidiaries and assets and liabilities acquired in the conduct of its own business. It is part dependent on the members of the Scotiabank Group and the revenues recovered by them.

Directors and Board Committees of the Issuer

The Directors of the Issuer as of the date hereof are as follows:

Name	Board Committee Memberships	Principal Outside Activities	Occupation/
Nora A. Aufreiter	CGC HCOB – Chair	Corporate Director and a former senior partner of McKinsey and Company, an international consulting firm	
Guillermo E. Babatz	RC – Chair HCOB	Managing Partner of Atik Capital, S.C., an advisory firm that specializes in structuring financial solutions for its clients	
Scott B. Bonham	ACRC CGC	Corporate Director and the co-founder of Intentional Capital, a privately-held real estate asset management company	
Daniel (Don) H. Callahan	CGC RC	Corporate Director and the Non-Executive Chairman of TIME USA LLC	
W. Dave Dowrich	ACRC RC	Senior Executive Vice President and Chief Financial Officer of Teachers Insurance and Annuity Association of America – College Retirement Equities Fund	
Lynn K. Patterson	ACRC RC	Corporate Director and the former Deputy Governor of the Bank of Canada	
Michael D. Penner	ACRC CGC	Corporate Director and Operating Partner of Partners Group AG, a Swiss-based global private equity firm. Through this role with Partners Group AG, Mr. Penner acts as the Chairman of Partners Group Canada, as well as several portfolio companies including United States Infrastructure Corporation, Enfragen Renewable Energy, and Careismatic Brands, Inc., a medical apparel company	
Una M. Power	RC HCOB	Corporate Director and the former Chief Financial Officer of Nexen Energy ULC, a former publicly-traded energy company that is a wholly-owned subsidiary of CNOOC Limited	
Aaron W. Regent	ACRC CGC HCOB RC	Chair of the Board of the Issuer and the Founder, Chairman and Chief Executive Officer of Magris Performance Materials Inc., a leading North American based industrial minerals company	

Name	Board Committee Memberships	Principal Outside Activities	Occupation/
Calin Rovinescu	CGC – Chair HCOB	Corporate Director, venture capital investor and senior advisor to several corporations. He served as President and Chief Executive Officer of Air Canada from April 2009 until his retirement on February 15, 2021	
L. Scott Thomson	N/A	President and Chief Executive Officer of the Issuer	
Benita M. Warmbold	ACRC – Chair CGC	Corporate Director and the former Senior Managing Director and Chief Financial Officer of Canada Pension Plan (CPP) Investment Board having retired in July 2017	

Notes:

ACRC—Audit and Conduct Review Committee
CGC—Corporate Governance Committee
HCOB—Human Capital and Compensation Committee
RC—Risk Committee

The business address of the Directors of the Issuer is The Bank of Nova Scotia, 40 Temperance Street, Toronto, Ontario, Canada M5H 0B4, which is the executive office of the Issuer.

There are no potential conflicts of interest between any duties owed to the Issuer by the Directors and the private interests and/or other external duties owed by these individuals.

Major Shareholders

Without Minister of Finance of Canada (the “**Minister**”) approval, no person or group of associated persons may own more than 10 per cent. of any class of shares of the Issuer. No person may be a major shareholder of a bank if the bank has equity of \$12 billion or more (which includes the Issuer). A person is a major shareholder of a bank if: (a) the aggregate of shares of any class of voting shares beneficially owned by that person and that are beneficially owned by any entities controlled by that person is more than 20 per cent. of that class of voting shares; or (b) the aggregate of shares of any class of non- voting shares beneficially owned by that person and that are beneficially owned by any entities controlled by that person is more than 30 per cent. of that class of non-voting shares. Ownership of the Issuer’s shares by Canadian or foreign governments is prohibited under the *Bank Act* (Canada). However, in 2009 certain amendments were made to the *Bank Act* (Canada) that provide for limited circumstances in which the Canadian federal government may be permitted to acquire shares of a bank, including the Issuer, if the Minister and Governor in Council were to conclude that to do so would promote stability in the financial system. While the government holds any shares of a bank, including the Issuer, the Minister may impose certain terms and conditions, including conditions on the payment by the Issuer of dividends on any of its shares.

Selected Financial Information

Financial Summary

The financial data in the tables below has been extracted or calculated without material adjustment from information contained within the audited consolidated statement of financial position and consolidated statement of income, or financial records of the Issuer for the years ended October 31, 2022 and October 31, 2021 contained in the Issuer’s 2022 Annual Report.

<u>(Amounts in billions of Canadian dollars)</u>	<u>2022</u>	<u>2021</u>
Assets		
Cash and deposits with financial institutions and precious metals	\$66.4	\$87.1
Trading assets	113.2	146.3
Securities purchased under resale agreements and securities borrowed	175.3	127.7
Investment securities	110.0	75.2
Loans	745.0	637.0
Other	139.5	111.5
Total assets	\$1,349.4	\$1,184.8
Liabilities		
Deposits	\$916.2	\$797.3
Obligations related to securities sold under repurchase agreements and securities lent	139.0	123.5
Other liabilities	211.0	184.8
Subordinated debentures	8.5	6.3
Total liabilities	\$1,274.7	\$1,111.9
Equity		
Common equity	\$65.1	\$64.8
Preferred shares and other equity instruments	8.1	6.0
Non-controlling interests in subsidiaries	1.5	2.1
Total equity	\$74.7	\$72.9
Total liabilities and equity	\$1,349.4	\$1,184.8

<u>(Amounts in millions of Canadian dollars)</u>	<u>For the Year ended October 31</u>	
	<u>2022</u>	<u>2021</u>
Net interest income	\$18,115	\$16,961
Non-interest income	13,301	14,291
Total revenue	31,416	31,252
Provision for credit losses	1,382	1,808
Non-interest expenses	17,102	16,618
Income tax expense	2,758	2,871
Net income	\$10,174	\$9,955
Net income attributable to non-controlling interests in subsidiaries	258	331
Net income attributable to equity holders of the Issuer	\$9,916	\$9,624
Preferred shareholders and other equity instruments holders	260	233
Common shareholders	\$9,656	\$9,391

<u>Consolidated Earnings Ratio</u>	<u>For the Year ended October 31</u>	
	<u>2022</u>	<u>2021</u>
Consolidated Ratios of Earnings to Fixed Charges		
Excluding interest on deposits	5.78	9.00
Including interest on deposits	1.82	2.56
Consolidated Ratios of Earnings to Combined Fixed Charges and Preferred Dividends		
Excluding interest on deposits	5.14	7.55
Including interest on deposits	1.78	2.46

For the purpose of computing these ratios:

- earnings represent income from continuing operations plus income taxes and fixed charges (excluding capitalized interest and net income from investments in associated corporations);
- fixed charges, excluding interest on deposits, represent interest (including capitalized interest), estimated interest within rent and amortization of debt issuance costs; and

- fixed charges, including interest on deposits, represent all interest.

Material Contracts

The Issuer has not entered into any contracts outside the ordinary course of the Issuer's business which could materially affect the Issuer's obligations in respect of any Notes to be issued by the Issuer.

Auditors

KPMG LLP, Chartered Professional Accountants, Toronto, Canada, is the external auditor who prepared the independent auditors' report to the shareholders of The Bank of Nova Scotia with respect to the consolidated statements of financial position of the Issuer as at October 31, 2022 and October 31, 2021 and the consolidated statements of income, comprehensive income, changes in equity and cash flows for each of the years in the two-year period ended October 31, 2022 and notes, comprising a summary of significant accounting policies and other explanatory information, and who prepared the Report of Independent Registered Public Accounting Firm to the shareholders of The Bank of Nova Scotia on the Issuer's internal control over financial reporting as of October 31, 2022. These financial statements and management's assessment of the effectiveness of the internal control over financial reporting as of October 31, 2022 have been incorporated by reference in reliance on their reports given on their authority as experts in auditing and accounting.

KPMG LLP is independent with respect to the Issuer within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulation. Further, KPMG LLP is an independent accountant with respect to the Issuer under all relevant U.S. professional and regulatory Standards.

Legal and Arbitration Proceedings

Save as disclosed in the 2022 Annual Information Form and note 27 (Corporate Income Taxes) on pages 209 to 211 of the Issuer's consolidated financial statements for the year ended October 31, 2022 contained in the 2022 Annual Report and [Off Platform Communications](#) on page 52 and note 19 (Corporate income taxes) on pages 89 to 90 of the 2023 Second Quarter Report, there are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware), during the 12-month period preceding the date of this Prospectus which may have, or have had in the recent past, significant effects on the Issuer and the Issuer's subsidiaries' (taken as a whole) financial position or profitability.

Issuer and Programme Ratings

Each of Moody's, S&P, Fitch and DBRS has provided the following issuer ratings for the Issuer:

	Moody's Investor Service (Moody's)	Standard & Poor's Ratings Services (S&P)	Fitch Ratings (Fitch)	DBRS Limited (DBRS)
Legacy Senior debt ⁽¹⁾	Aa2	A+	AA	AA
Senior debt ⁽²⁾	A2	A-	AA-	AA (low)
Short-term deposits/commercial paper	P-1	A-1	F1+	R-1 (high)
Subordinated debt	Baa1	A-	A	A (high)
Subordinated debt (NVCC) ⁽³⁾	Baa1 (hyb)	BBB+	A	A (low)
Limited Recourse Capital Notes (LRCN) and Subordinated additional tier 1 capital notes (NVCC) ⁽³⁾	Baa3 (hyb)	BBB-	BBB+	BBB(high)

	Moody's Investor Service (Moody's)	Standard & Poor's Ratings Services (S&P)	Fitch Ratings (Fitch)	DBRS Limited (DBRS)
Non-cumulative Preferred Shares (NVCC) ⁽³⁾	Baa3 (hyb)	BBB-/P-2(low) ⁽⁴⁾	BBB+	Pfd-2
Outlook	Stable	Stable	Stable	Stable
Counterparty Rating ⁽⁵⁾	Aa2(cr)/P-1(cr)	N/A	AA(dcr)	N/A

⁽¹⁾ Includes: (a) Senior debt issued prior to 23 September 2018; and (b) Senior debt issued on or after 23 September 2018 which is excluded from the bank recapitalization "bail-in" regime

⁽²⁾ Subject to conversion under the bank recapitalization "bail-in" regime

⁽³⁾ Non-Viability Contingent Capital (NVCC)

⁽⁴⁾ Canadian Scale

⁽⁵⁾ Counterparty Rating: Moody's - Counterparty Risk Assessment / S&P - Counterparty Resolution Rating / Fitch - Derivative Counterparty Rating / DBRS: - Critical Obligation Rating

In addition, Senior Notes to be issued under the Programme have been rated Aa2 (Legacy Senior debt), A2 (Senior debt), P-1 (Short term debt) by Moody's, A+ (Legacy Senior debt) and A- (Senior debt), A-1 (Short Term debt) by S&P, AA (Legacy Senior debt), AA- (Senior debt) and F1+ (Short Term debt) by Fitch and AA (Legacy Senior Debt), AA (low) (Senior debt) and R-1 (high) (Short Term debt) by DBRS. The Subordinated Notes to be issued under the Programme have been rated Baa1 by Moody's, BBB+ by S&P and A (low) by DBRS. Notes issued under the Programme may be rated or unrated. The ratings of a series of Notes to be issued under the Programme may be specified in the applicable Final Terms. Where a Series of Notes is rated, such rating will not necessarily be the same as the ratings assigned to the Programme. The rating of the Notes is not a recommendation to purchase, hold or sell the Notes, and may be subject to suspension, reduction, revision or withdrawal at any time by the assigning rating agencies. There is no assurance that the rating of the Notes will remain for any given period of time or that the rating will not be lowered or withdrawn by the rating agencies if in their judgment circumstances so warrant. Investors are cautioned to evaluate each rating independently of any other rating. Investors may suffer losses if the credit rating assigned to the Notes does not reflect the then creditworthiness of such Notes.

TERMS AND CONDITIONS OF THE NOTES

*The following is the text of the terms and conditions of the Notes (the “**Conditions**”) which, subject to completion and amendment and as supplemented or varied in accordance with the provisions of the applicable Final Terms, will be applicable to the Notes and, subject further to simplification by deletion of non-applicable provisions, will be endorsed on Notes in definitive form (if any). Details of the Issuer and the relevant Series will be set out in Part A of the applicable Final Terms and, in the case of the issue of Notes in definitive form, the relevant portions will be endorsed on the definitive form of Note. References in the Conditions to “**Notes**” are to the Notes of one Series only, not to all Notes which may be issued under the Programme. In addition, the Conditions applicable to Bearer Global Notes and Global Certificates are modified or supplemented by additional provisions; see “Summary of Provisions Relating to the Notes while in Global Form” below. The applicable Final Terms in relation to any Tranche of Notes may specify other terms and conditions (including the Additional Terms and Conditions as described below) 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 Notes. Capitalised terms not defined in the Conditions but which are defined in the applicable Final Terms will have the meanings given them in Part A of such Final Terms and “herein”, “hereof” or “hereon” when used in the Conditions shall include a reference to such Final Terms where appropriate.*

The Additional Terms and Conditions contained in Annex 1 in the case of Index Linked Notes, Annex 2 in the case of Equity Linked Notes, Annex 3 in the case of Commodity Linked Notes, Annex 4 in the case of Credit Linked Notes, Annex 5 in the case of Fund Linked Notes, Annex 6 in the case of Physical Delivery Notes, and Annex 7 in the case of Synthetic Currency Notes (each as defined below) will apply to the Notes if specified in the applicable Final Terms.

This Note is one of a Series of notes (the “**Notes**”), which expression shall mean (i) in regard to any Notes represented by a Note in temporary global form or in permanent global form (each a “**Bearer Global Note**”) or a Note in registered form represented by a global certificate held on behalf of Euroclear and Clearstream, Luxembourg (or such other clearing system as may be agreed to between the Issuer, the relevant Dealer, the Fiscal Agent and the Registrar (if applicable)) (the “**Global Certificate**”), units of the lowest Specified Denomination in the Currency specified hereon of the relevant Notes, (ii) any Note in definitive form issued in exchange for a Bearer Global Note or a Global Certificate, and (iii) any Bearer Global Note. The Notes are issued pursuant to an Agency Agreement dated July 21, 2023 (as amended or supplemented from time to time, the “**Agency Agreement**”), between The Bank of Nova Scotia as issuer (the “**Issuer**”), Citibank, N.A., London Branch as fiscal agent, principal paying agent and transfer agent (the “**Fiscal Agent**”) and Citibank Europe Plc as paying agent and registrar and The Bank of Nova Scotia as calculation agent (together with the Fiscal Agent and any additional or other paying agents in respect of the Notes from time to time appointed, the “**Paying Agents**”) and transfer agent (together with the Fiscal Agent and any additional or other transfer agents in respect of the Senior Notes from time to time appointed, the “**Transfer Agents**”), and with the benefit of a Deed of Covenant (as further amended or supplemented from time to time, the “**Deed of Covenant**”) dated July 21, 2023 executed by the Issuer. The initial Calculation Agent(s) (if any) is specified in the applicable Final Terms. The Noteholders (as defined below), the holders of the interest coupons (the “**Coupons**”) appertaining to interest bearing Notes in bearer form and, where applicable in the case of such Notes, talons for further Coupons (the “**Talons**”) (the “**Couponholders**”) and the holders of the instalment receipts (the “**Receipts**”) appertaining to the payment of principal by instalments are deemed to have notice of all of the provisions of the Agency Agreement applicable to them.

As used herein, “**Series**” means all Notes which are denominated in the same currency, which have the same Maturity Date and the same Interest Basis and Redemption/Payment Basis, if any, all as indicated in the applicable Final Terms, and the terms of which, save for the Issue Date, the Interest Commencement Date and/or the Issue Price (as indicated as aforesaid) are otherwise identical (including whether or not the Notes are listed). As used herein, “**Tranche**” means all Notes of the same Series with the same Issue Date and Interest Commencement Date. The Final Terms applicable to a Tranche of Notes are set out in Part A of the Final Terms attached to or endorsed on the Note which complete these Terms and Conditions (the “**Conditions**”) and may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the Conditions, replace, supplement or modify the Conditions of the Series for the purposes of such Notes. References to “**the applicable Final Terms**” are to Part A of the Final Terms (or the relevant provisions thereof) attached to or endorsed on the Notes.

Copies of the Agency Agreement and the Deed of Covenant are available for inspection at the specified offices of each of the Paying Agents, the Registrar and the Transfer Agents. Words and expressions defined in the

Agency Agreement or used in the applicable Final Terms shall have the same meanings where used in these Conditions unless the context otherwise requires or unless otherwise stated provided that, in the event of inconsistency between the Agency Agreement and the applicable Final Terms, the applicable Final Terms will prevail.

1. Form, Denomination and Title

The Notes are issued in the form specified in the applicable Final Terms. Notes issued in bearer form are referred to herein as “Bearer Notes”, which expression includes Notes which are specified to be Exchangeable Bearer Notes. Notes issued in registered form are referred to herein as “Registered Notes”. Notes issued in bearer form exchangeable for Registered Notes are referred to herein as “Exchangeable Bearer Notes”. Bearer Notes in definitive form will be serially numbered, in the Specified Currency and in the Specified Denomination(s). Notes will be in such denominations as may be specified in the applicable Final Terms, save that the minimum denomination of each Note shall in each case comply with all applicable legal, regulatory and central bank requirements, and save that the minimum denomination of each Note traded on the SGX-ST will be SGD 200,000 (or, if the Notes are denominated in a currency other than Singapore dollars, the equivalent amount in such currency).

So long as the Bearer Notes are represented by a Temporary Bearer Global Note or Permanent Bearer Global Note and the relevant clearing system(s) so permit, the Notes shall be tradeable only in principal amounts of at least the Specified Denomination (or if more than one Specified Denomination, the lowest Specified Denomination) provided in the applicable Final Terms and, if so provided in the applicable Final Terms, higher integral multiples of at least 1,000 in the relevant currency (the “**Integral Amount**”), notwithstanding that no definitive Notes will be issued with a denomination above the Definitive Amount in such currency. For purposes of these conditions, the “Definitive Amount” shall be equal to two times the lowest Specified Denomination minus the Integral Amount. If a Bearer Global Note or Global Certificate is exchangeable for definitive Notes at the option of the Noteholder or the Issuer, the Notes shall be tradeable only in principal amounts of at least the Specified Denomination (or if more than one Specified Denomination, the lowest Specified Denomination).

The Notes may be Fixed Rate Notes, Fixed Rate Resettable Notes, Floating Rate Notes, Range Accrual Notes, Zero Coupon Notes, Index Linked Interest Notes, Equity Linked Interest Notes, Commodity Linked Interest Notes, Fund Linked Interest Notes, Instalment Notes, Partly Paid Notes, Index Linked Redemption Notes (together with Index Linked Interest Notes, “**Index Linked Notes**”), Equity Linked Redemption Notes (together with Equity Linked Interest Notes, “**Equity Linked Notes**”), Commodity Linked Redemption Notes (together with Commodity Linked Interest Notes “**Commodity Linked Notes**”), Credit Linked Notes, Fund Linked Redemption Notes (together with Fund Linked Interest Notes, “**Fund Linked Note**”), Synthetic Currency Notes (“**Synthetic Currency Notes**”) or a combination of the foregoing, in each case depending on the Redemption/Payment basis specified in the applicable Final Terms. Bail-inable Notes (as defined below) and Subordinated Notes will not be Instalment Notes.

The Notes may also have other or additional terms and conditions as may be specified in the applicable Final Terms.

Definitive Bearer Notes are issued with Coupons (and, where appropriate, a Talon for further Coupons) attached, save in the case of Notes which do not bear interest in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these Conditions are not applicable. The expression “**Coupons**” shall, where the context so requires, include Talons. Any Bearer Note the principal amount of which is redeemable in instalments is issued with one or more Receipts attached.

If the applicable Final Terms specify the Note as a Physical Delivery Note, being a Note to be redeemed by delivery of the Entitlement, Annex 6 to the Conditions – “Additional Terms and Conditions for Physical Delivery Notes” shall apply.

Title to Bearer Notes, Receipts or Coupons shall pass by delivery. The holder of each Coupon, whether or not such Coupon is attached to a Bearer Note, in his capacity as such, shall be subject to and bound by all the provisions contained in the relevant Bearer Note. The holder of any Bearer Note, the holder of any Receipt (a “**Receipholder**”) and any Couponholder may, to the fullest extent permitted by applicable laws be treated at all times, by all persons and for all purposes as the absolute owner of such Note, Receipt or Coupon, as the case may be, regardless of any notice of ownership, theft or loss or of any writing thereon.

Registered Notes are represented by certificates (“**Certificates**”), each Certificate representing one or more Notes registered in the name of the recorded holder of such Certificate. Certificates for Registered Notes shall be issued in the lowest Specified Denomination or an integral multiple thereof.

Title to the Registered Notes shall pass by registration in the register which the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement. Except as ordered by a court of competent jurisdiction or as required by law, the registered holder of any Registered Note, Receipt or Coupon shall be deemed to be and may be treated as the absolute owner of such Registered Note, Receipt or Coupon, as the case may be, for the purpose of receiving payment thereof or on account thereof and for all other purposes, whether or not such Registered Note, Receipt or Coupon shall be overdue and notwithstanding any notice of ownership, theft or loss thereof or any writing thereon made by anyone.

In these Conditions, “**Noteholder**” means the bearer of any Bearer Note in definitive form and the Coupons, Talons and Receipts relating to it, the person in whose name a Registered Note in definitive form is registered and unless otherwise specifically provided herein, in the case of a Bearer Global Note or a Global Certificate, a person that beneficially owns one or more Notes represented thereby. In addition, “**holder**” (in relation to a Note, Receipt or Coupon) has the corresponding meaning and capitalised terms have the meanings given to them herein; the absence of any such meaning indicating that such term is not applicable to the Notes.

2. Exchange of Exchangeable Bearer Notes and Transfers of Registered Notes

(a) Exchange of Exchangeable Bearer Notes

Subject as provided in Condition 2(e), Exchangeable Bearer Notes may be exchanged for the same aggregate principal amount of Registered Notes at the request in writing of the relevant Noteholder and upon surrender of each Exchangeable Bearer Note to be exchanged, together with all unmatured Receipts and Coupons relating to it, at the specified office of the Registrar or any Transfer Agent; provided, however, that where an Exchangeable Bearer Note is surrendered for exchange after the Record Date (as defined in Condition 6(b)) for any payment of interest or Instalment Amount, the Coupon in respect of that payment of interest or Receipt in respect of that Instalment Amount need not be surrendered with it. Registered Notes may not be exchanged for Bearer Notes. Bearer Notes of one denomination may not be exchanged for Bearer Notes of another denomination. Bearer Notes which are not Exchangeable Bearer Notes may not be exchanged for Registered Notes.

(b) Transfer of Registered Notes

Subject as provided in Condition 2(e), one or more Registered Notes may be transferred upon the surrender of the Certificate representing such Registered Notes to be transferred, together with the form of transfer endorsed on such Certificate duly completed and executed, at the specified office of the Registrar or any Transfer Agent. In the case of a transfer of part only of a holding of Registered Notes represented by one Certificate, a new Certificate in respect of the balance not transferred will be issued to the transferor.

(c) Delivery of new Certificates

Each new Certificate to be issued upon exchange of Exchangeable Bearer Notes or transfer of Registered Notes will, within three business days (being a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the Transfer Agent or the Registrar to whom such request for exchange or form of transfer shall have been delivered, as the case may be) of receipt of such request for exchange or form of transfer, be available for delivery at the specified office of the Transfer Agent or of the Registrar (as the case may be) to whom such delivery shall have been made or, at the option of the holder making such delivery as aforesaid and as specified in the relevant request for exchange or form of transfer, be mailed at the risk of the holder entitled to the new Certificate to such address as may be specified in such request for exchange or form of transfer.

(d) Exchange free of charge

Exchange of Notes on registration or transfer will be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agents, but on payment (or the giving of such indemnity as the Registrar or the relevant Transfer Agent may require in respect thereof) of any tax or other governmental charges which may be imposed in relation to it.

(e) Closed periods

No Noteholder may require the transfer of a Registered Note to be registered or an Exchangeable Bearer Note to be exchanged for a Registered Note (i) during the period of 15 days ending on the due date for redemption of that Note, (ii) during the period of 15 days prior to any date on which Notes may be redeemed by the Issuer at its option pursuant to Condition 5(h) or (iii) after any such Note has been drawn for redemption in whole or in part. An Exchangeable Bearer Note called for redemption may, however, be exchanged for a Registered Note in respect of which the Certificate is simultaneously surrendered not later than the relevant Record Date.

3. Status

The applicable Final Terms will indicate whether the Notes are Senior Notes or Subordinated Notes.

(a) Status of Notes

The Senior Notes constitute deposit liabilities of the Issuer for purposes of the *Bank Act* (Canada) and, together with the Receipts and Coupons relating to them, will rank *pari passu* with all present or future deposit liabilities of the Issuer (except as otherwise prescribed by law and subject to the exercise of bank resolution powers), and without any preference amongst themselves. See “Status – Bail-inable Notes” below.

The Senior Notes will not be deposits insured under the *Canada Deposit Insurance Corporation Act* (the “**CDIC Act**”) or any other deposit insurance regime. Notes issued by a branch of the Issuer outside of Canada will be paid without the necessity of being presented for payment at such branch. Senior Notes issued by the Issuer are not covered by the depositor protection provisions contained in section 13A of the Banking Act 1959 of the Commonwealth of Australia (the “**Australia Banking Act**”), and will not entitle holders of Senior Notes to claim under Division 2AA – Financial claims scheme for account-holders with insolvent ADIs in the Australia Banking Act.

(b) Bail-inable Notes

This Condition 3(b) will apply in respect of all Notes issued by the Issuer that are identified as Bail-inable Notes in the applicable Final Terms (“**Bail-inable Notes**”). All Notes that (i) have an original or amended term to maturity of more than 400 days, have one or more explicit or embedded options, that if exercised by or on behalf of the Issuer, could result in a maturity date that is more than 400 days from the date of issuance of the Notes or that have an explicit or embedded option that, if exercised by or on behalf of the Noteholder, could by itself result in a maturity date that is more than 400 days from the maturity date that would apply if the option were not exercised; and (ii) are not otherwise excluded (e.g. structured notes (as such term is used under the Bail-in Regime)) under the Bail-in Regime, will be identified as Bail-inable Notes in the applicable Final Terms. Notes that constitute structured notes (as such term is used under the Bail-in Regime) under the Bail-in Regime, will not be identified as Bail-inable Notes in the applicable Final Terms. Notes issued before September 23, 2018 which have their terms amended, on or after September 23, 2018, to increase their principal amount or to extend their term to maturity and which otherwise meet conditions (i) and (ii), above, in this Condition 3(b) will also be Bail-inable Notes and following such amendment will be subject to this Condition 3(b).

By its acquisition of an interest in Bail-inable Notes, each Noteholder (which, for the purposes of this Condition 3(b), includes each holder of a beneficial interest in such Bail-inable Notes) is deemed to:

(i) agree to be bound, in respect of such Bail-inable Notes, by the CDIC Act, including the conversion of the Bail-inable Notes, in whole or in part - by means of a transaction or series of transactions or in one or more stages - into common shares of the Issuer or any of its affiliates under subsection 39.2(2.3) of the CDIC Act and the variation or extinguishment of the Bail-inable Notes in consequence, and subject to the application of the laws of the Province of Ontario and the federal laws of Canada applicable therein in respect of the operation of the CDIC Act with respect to such Bail-inable Notes (a “**Bail-in Conversion**”);

(ii) attorn to the jurisdiction of the courts in the Province of Ontario in Canada with respect to the CDIC Act and the laws of the Province of Ontario and the federal laws of Canada applicable therein in respect of the operation of the CDIC Act with respect to the Bail-inable Notes;

(iii) have represented and warranted to the Issuer that the Issuer has not directly or indirectly provided financing to the Noteholder of the Bail-inable Notes for the express purpose of investing in Bail-inable Notes; and

(iv) acknowledge and agree that the terms referred to in paragraphs (i) and (ii), above, are binding on such Noteholder despite any provisions in these Conditions, any other law that governs the Bail-inable Notes and any other agreement, arrangement or understanding between such Noteholder and the Issuer with respect to such Bail-inable Notes.

The applicable Final Terms will indicate whether Notes are Bail-inable Notes. All Bail-inable Notes will be subject to Bail-in Conversion. The Issuer will provide notice to the Noteholders as soon as practicable following the issue of any such conversion order in accordance with Condition 14.

Noteholders and beneficial owners of a Bail-inable Note will have no further rights in respect of a Bail-inable Note to the extent such Bail-inable Note is converted in a Bail-in Conversion, other than those provided under the Bail-in Regime, and by its acquisition of an interest in the Bail-inable Note, each Noteholder or beneficial owner of the Bail-inable Note is deemed to irrevocably consent to the converted portion of the principal amount of the Bail-inable Note and any accrued and unpaid interest thereon being deemed paid in full by the issuance of common shares of the Issuer (or, if applicable, any of its affiliates) upon the occurrence of a Bail-in Conversion, which Bail-in Conversion shall occur without any further action on the part of that Noteholder or beneficial owner or the Fiscal Agent or the Registrar; provided that, for the avoidance of doubt, this consent shall not limit or otherwise affect any rights of that Noteholder or beneficial owner provided for under the Bail-in Regime.

Each Noteholder or beneficial owner of the Bail-inable Notes that acquires an interest in the Bail-inable Notes in the secondary market and any successors, assigns, heirs, executors, administrators, trustees in bankruptcy and legal representatives of any such Noteholder or beneficial owner shall be deemed to acknowledge, accept, agree to be bound by and consent to the same provisions specified herein to the same extent as the Noteholders or beneficial owners that acquire an interest in the Bail-inable Notes upon their initial issuance, including, without limitation, with respect to the acknowledgement and agreement to be bound by and consent to the terms of the Bail-inable Notes related to the Bail-in Regime.

(c) Subordinated Notes

The Subordinated Notes will evidence subordinated indebtedness of the Issuer for purposes of the *Bank Act* (Canada). The Subordinated Notes constitute legal, valid and binding direct, subordinated and unsecured obligations of the Issuer enforceable in accordance with their terms and rank *pari passu* with all other present and future subordinated indebtedness of the Issuer (other than subordinated indebtedness that has been further subordinated in accordance with its terms and subordinated indebtedness having a priority to the Subordinated Notes by virtue of any law now or hereafter in force). The subordinated indebtedness evidenced by the Subordinated Notes will, in the event of the insolvency or winding-up of the Issuer, be subordinate in right of payment to all deposit liabilities of the Issuer and all other liabilities of the Issuer except those which by their terms rank equally with or are subordinate to such subordinated indebtedness and except as otherwise prescribed by law.

Upon the occurrence of a Non-Viability Trigger Event (as defined in Condition 10(a)), this Condition 3(c) will cease to apply to the Notes as all the Notes will be converted into common shares of the Issuer (“**Common Shares**”) which Common Shares will rank on par with all other issued and outstanding Common Shares.

The Subordinated Notes are not deposit liabilities of the Issuer and will not be deposits insured under the CDIC Act or any other deposit insurance regime.

(d) Negative Covenant

This Condition 3(d) applies to Subordinated Notes only.

The Issuer will not create, issue or incur any Junior Indebtedness which, pursuant to the terms of the instrument evidencing or creating the same, has a right attached thereto, in favour of the holders thereof (the “**Junior Right**”), to cause the principal amount to become due and payable prior to the later of its stated maturity or the expiration of any applicable grace period, or otherwise than at the option of the Issuer, unless and until such a right

or remedy in respect of the Subordinated Notes is exercisable and the Noteholders have exercised any such right or remedy in respect of the Subordinated Notes prior to the exercise of the Junior Right.

For the purposes of this Condition 3(d):

“**Junior Indebtedness**” means any Indebtedness which ranks subordinate to and not equally with or prior to the Subordinated Notes in right of payment upon the insolvency or winding-up of the Issuer and which, pursuant to the terms of the instrument evidencing or creating the same, is expressed to be subordinate in right of payment to all other Indebtedness to which the Subordinated Notes are subordinate in right of payment to at least the same extent as the Subordinated Notes are made junior and subordinate thereto by the provisions of Condition 4(c).

“**Indebtedness**” at any time means all deposit liabilities of the Issuer and all other liabilities and obligations of the Issuer which in accordance with the accounting rules established for Canadian chartered banks issued under the authority of the Superintendent pursuant to the *Bank Act* (Canada) or with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), as the case may be, would be included in determining the total liabilities of the Issuer at such time, other than liabilities for paid-up capital, contributed surplus, retained earnings and general reserves of the Issuer.

4. Interest and Other Calculations

Notes may be interest bearing or non-interest bearing as specified in the applicable Final Terms.

(a) (i) **Interest on Fixed Rate Notes**

Each Fixed Rate Note bears interest on its outstanding Principal Amount from and including the Interest Commencement Date at the rate(s) per annum (expressed as a percentage) equal to the Interest Rate, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be calculated in accordance with Condition 4(g).

Unless otherwise specified in the applicable Final Terms the amount of interest payable on each Interest Payment Date in respect of the Interest Period ending on, but excluding such date, will amount to the Fixed Coupon Amount. Payment of interest on any Interest Payment Date will, if so specified in the applicable Final Terms, amount to the Broken Amount so specified.

(ii) **Interest on Fixed Rate Resettable Notes**

If Notes are specified as being Fixed Rate Resettable Notes (each, a “**Fixed Rate Resettable Note**”), each Fixed Rate Resettable Note shall bear interest:

(A) from (and including) the Interest Commencement Date specified in the applicable Final Terms (but excluding) the First Reset Date at the rate per annum equal to the Initial Rate of Interest;

(B) from (and including) the First Reset Date until (but excluding) the Second Reset Date or, if no such Second Reset Date is specified in the applicable Final Terms, the Maturity Date, at the rate per annum equal to the First Reset Rate of Interest; and

(C) for each Subsequent Reset Period thereafter (if any), at the rate per annum equal to the relevant Subsequent Reset Rate of Interest,

in each case, payable in arrear on each Interest Payment Date.

Save as otherwise provided herein, the provisions in Condition 4(a) shall apply to the Fixed Rate Resettable Notes.

Subject to Condition 4(m) or 4(n), if Mid-Swap Rate is specified in the applicable Final Terms and on any Reset Determination Date the Relevant Screen Page is not available or the Mid-Swap Rate does not appear on the Relevant Screen Page, the Calculation Agent shall request each of the Reference Banks (as defined below) to provide the Calculation Agent with its Mid-Market Swap Rate Quotation as at approximately the Relevant Time in the principal financial centre of the Relevant Currency on the Reset Determination Date in question. If two or

more of the Reference Banks provide the Calculation Agent with Mid-Market Swap Rate Quotations, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) for the relevant Reset Period shall be the sum of the arithmetic mean (rounded, if necessary, to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of the relevant Mid-Market Swap Rate Quotations and the First Margin or Subsequent Margin (as applicable), all as determined by the Calculation Agent. If on any Reset Determination Date only one or none of the Reference Banks provides the Calculation Agent with a Mid-Market Swap Rate Quotation as provided in the foregoing provisions of this paragraph, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) shall be determined to be the Interest Rate as at the last preceding Reset Date or, in the case of the first Reset Determination Date, the First Reset Rate of Interest shall be the Initial Rate of Interest.

If any Maximum Rate of Interest or Minimum Rate of Interest is specified in the applicable Final Terms, then the Rate of Interest shall in no event be greater than the maximum or be less than the minimum so specified.

The Calculation Agent will calculate the Interest Rate for each relevant Interest Period in a Reset Period, and cause it to be notified, in accordance with Conditions 4(g) and (h), as applicable.

For the purposes of this Condition 4(a)(ii):

“**Benchmark Gilt**” means, in respect of a Reset Period, such UK government security having a maturity date on or about the last day of such Reset Period as the Calculation Agent, with the advice of the Reference Banks, may determine to be appropriate; and

“**Benchmark Gilt Rate**” means, in respect of a Reset Period, the gross redemption yield (as calculated by the Calculation Agent in accordance with generally accepted market practice at such time) on a semi-annual compounding basis (converted to an annualised yield and rounded up (if necessary) to four decimal places) of the Benchmark Gilt in respect of that Reset Period, with the price of the Benchmark Gilt for this purpose being the arithmetic average (rounded up (if necessary) to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of the bid and offered prices of such Benchmark Gilt quoted by the Reference Banks at the Relevant Time on the relevant Reset Determination Date on a dealing basis for settlement on the next following dealing day in London. If at least four quotations are provided, the Benchmark Gilt Rate will be the rounded arithmetic mean of the quotations provided, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest) rounded as provided above.

If only two or three quotations are provided, the Benchmark Gilt Rate will be the rounded arithmetic mean of the quotations provided rounded as provided above. If only one quotation is provided, the Benchmark Gilt Rate will be the quotation provided rounded as provided above. If no quotations are provided, the Benchmark Gilt Rate will be determined by the Calculation Agent in its sole discretion following consultation with the Issuer;

“**CMT Designated Maturity**” has the meaning given to it in the relevant Final Terms;

“**CMT Rate**” or “**U.S. Treasury Rate**” means, in relation to a Reset Period and the Reset Determination Date in relation to such Reset Period, the rate determined by the Calculation Agent, and expressed as a percentage, equal to:

(i) the average of the yields on actively traded U.S. Treasury Securities adjusted to "constant maturity" for the CMT Designated Maturity for the five business days immediately prior to such Reset Determination Date, and appearing under the caption "Treasury constant maturities" at the CMT Reset Determination Time on such Reset Determination Date in the applicable most recently published statistical release designated "H.15 Daily Update", or any successor publication that is published by the Board of Governors of the Federal Reserve System on which established yields on actively traded U.S. Treasury Securities adjusted to constant maturity under the caption "Treasury Constant Maturities" at the CMT Designated Maturity are displayed; or

(ii) if such release (or any successor release) is not published during the week immediately prior to such Reset Determination Date or does not contain such yields, the rate per annum equal to the semi-annual equivalent yield to maturity of the Comparable Treasury Issue, calculated using a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for the Reset Date; or

(iii) if the CMT Rate cannot be determined, for whatever reason, as described under (i) or (ii) above, "U.S. Treasury Rate" means the rate in percentage per annum as notified by the Calculation Agent to the Issuer equal to the yield on U.S. Treasury Securities having the CMT Designated Maturity as set forth in the most recently published statistical release designated "H.15 Daily Update" under the caption "Treasury constant maturities" (or any successor publication that is published weekly by the Board of Governors of the Federal Reserve System and that establishes yields on actively traded U.S. Treasury securities adjusted to constant maturity under the caption "Treasury constant maturities" for the CMT Designated Maturity) on such Reset Determination Date;

"CMT Reset Determination Time" mean, unless specified otherwise in the applicable Final Terms, 5:00 p.m. (New York City time);

"Comparable Treasury Issue" means, with respect to the Fixed Interest Period from the Reset Date to the next Interest Payment Date, the U.S. Treasury Security or Securities selected by the Issuer with a maturity date on or about the last day of such Fixed Interest Period and that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities denominated in U.S. dollars and having a remaining maturity of the number of years specified in the definition of the CMT Rate;

"Comparable Treasury Price" means, with respect to the Reset Date, (i) the arithmetic average of the Reference Treasury Dealer Quotations for such Reset Date (calculated on the Reset Determination Date), after excluding the highest and lowest such Reference Treasury Dealer Quotations, or (ii) if fewer than five such Reference Treasury Dealer Quotations are received, the arithmetic average of all such quotations, or (iii) if fewer than two such Reference Treasury Dealer Quotations are received, then such Reference Treasury Dealer Quotation as quoted in writing to the Calculation Agent by a Reference Bank;

"dealing day" means a day, other than a Saturday or Sunday, on which the London Stock Exchange (or such other stock exchange on which the Benchmark Gilt is listed at the relevant time) is ordinarily open for the trading of securities;

"First Margin" means the margin specified in the applicable Final Terms;

"First Reset Date" means the date specified in the applicable Final Terms;

"First Reset Period" means the period from (and including) the First Reset Date until (but excluding) the Second Reset Date or, if no such Second Reset Date is specified in the applicable Final Terms, the Maturity Date;

"First Reset Rate of Interest" means, in respect of the First Reset Period and subject to Condition 4(a)(ii), the rate of interest determined by the Calculation Agent on the relevant Reset Determination Date as the sum of (A) the relevant Reset Rate and (B) the relevant First Margin, converted (if the Reset Rate is either the Mid-Swap Rate or the Reference Bond Rate), if not already on the same basis, from a basis equivalent to the Fixed Leg Swap Duration specified in the applicable Final Terms or the Reference Bond Rate, as the case may be, to a basis equivalent to the frequency with which scheduled interest payments are payable on the Notes during the relevant Reset Period (such calculation to be determined by the Calculation Agent);

"Fixed Leg Swap Duration" has the meaning specified in the applicable Final Terms;

"Floating Leg Swap Duration" has the meaning specified in the applicable Final Terms;

"H.15" means the daily statistical release designated as H.15, or any successor publication, published by the board of governors of the Federal Reserve System at <http://www.federalreserve.gov/releases/H15> or any successor site or publication;

"Initial Rate of Interest" has the meaning specified in the applicable Final Terms;

"Interest Rate" means the Initial Rate of Interest, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest, as applicable;

“Mid-Market Swap Rate” means for any Reset Period the mean of the bid and offered rates for the fixed leg payable with a frequency equivalent to the Fixed Leg Swap Duration (calculated on the day count basis customary for fixed rate payments in the Relevant Currency as determined by the Calculation Agent) of a fixed-for-floating interest rate swap transaction in the Relevant Currency which transaction (i) has a term equal to the relevant Reset Period and commencing on the relevant Reset Date, (ii) is in an amount that is representative for a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the swap market and (iii) has a floating leg based on the Mid-Swap Floating Leg Benchmark Rate for the Floating Leg Swap Duration (calculated on the day count basis customary for floating rate payments in the Relevant Currency as determined by the Calculation Agent);

“Mid-Market Swap Rate Quotation” means a quotation (expressed as a percentage rate per annum) for the relevant Mid-Market Swap Rate;

“Mid-Swap Floating Leg Benchmark Rate” means, unless otherwise specified in the applicable Final Terms, (i) the 6 month EURIBOR rate if the Relevant Currency is euro or (ii) any other reference rate specified in the applicable Final Terms;

“Mid-Swap Rate” means, in relation to a Reset Determination Date and subject to Condition 4(a) (ii), either:

(i) if Single Mid-Swap Rate is specified in the applicable Final Terms, the applicable semi-annual or annualised (as specified in the applicable Final Terms) rate for swaps in the Relevant Currency:

(A) with a term equal to the relevant Reset Period; and

(B) commencing on the relevant Reset Date,

which appears on the Relevant Screen Page; or

(ii) if Mean Mid-Swap Rate is specified in the applicable Final Terms, the arithmetic mean (expressed as a percentage rate per annum and rounded, if necessary, to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of the bid and offered annualised or semi-annualised (as specified in the applicable Final Terms) swap rate quotations for swaps in the Relevant Currency:

(A) with a term equal to the relevant Reset Period; and

(B) commencing on the relevant Reset Date,

which appear on the Relevant Screen Page, in either case, as at approximately the Relevant Time in the principal financial centre of the Relevant Currency on such Reset Determination Date, all as determined by the Calculation Agent, provided, however, that if there is no such rate appearing on the Screen Page for a term equal to the relevant Reset Period, then the Mid-Swap Rate shall be determined through the use of straight-line interpolation by reference to two rates, one of which shall be determined in accordance with the above provisions, but as if the relevant Reset Period were the period of time for which rates are available next shorter the length of the actual Reset Period and the other of which shall be determined in accordance with the above provisions, but as if the relevant Reset Period were the period of time for which rates are available next longer than the length of the actual Reset Period;

“Reference Banks” means:

(i) for the purposes of Condition 4(a)(ii), five leading swap dealers in the principal interbank market relating to the Relevant Currency selected by the Calculation Agent in its discretion after consultation with the Issuer;

(ii) in the case of a Benchmark Gilt Rate, five brokers of gilts and/or gilt-edged market makers selected by the Calculation Agent in its discretion after consultation with the Issuer;

(iii) in the case of a CMT Rate, five banks which are primary U.S. Treasury securities dealers or market makers in pricing corporate bond issues denominated in U.S. dollars in New York selected by the Calculation Agent in its discretion after consultation with the Issuer; or

(iv) in the case of a Reference Bond, five banks which are primary government securities dealers or market makers in pricing corporate bond issuances, as selected by the Calculation Agent in its discretion after consultation with the Issuer;

“Reference Bond” means for any Reset Period the Reference Bond specified in the applicable Final Terms or, if no Reference Bond is specified in the applicable Final Terms or if the relevant Reference Bond is no longer outstanding at the relevant time, such government security or securities issued by the government of the state responsible for issuing the Relevant Currency (which, if the Relevant Currency is euro, shall be Germany) selected by the Calculation Agent in its discretion after consultation with the Issuer as having an actual or interpolated maturity comparable with the relevant Reset Period and that (in the opinion of the Calculation Agent, after consultation with the Issuer) would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issuances of corporate debt securities denominated in the Relevant Currency and of a comparable maturity to the relevant Reset Period;

“Reference Bond Dealer Quotations” means, with respect to each Reference Bank and the Reset Determination Date, the arithmetic mean, as determined by the Calculation Agent, of the bid and offered prices for the Reference Bond (expressed in each case as a percentage of its nominal amount) as at approximately 11.00 a.m. (or any other Relevant Time as specified in the applicable Final Terms) in the principal financial centre of the Relevant Currency on the Reset Determination Date and quoted in writing to the Calculation Agent by such Reference Bank;

“Reference Bond Price” means, with respect to a Reset Determination Date that does not relate to the CMT Rate, (a) the arithmetic mean of the Reference Bond Dealer Quotations for that Reset Determination Date, after excluding the highest and lowest such Reference Bond Dealer Quotations, or (b) if the Calculation Agent obtains fewer than four such Reference Bond Dealer Quotations, the arithmetic mean of all such quotations or (c) if the Calculation Agent obtains only one Reference Bond Dealer Quotation or if the Calculation Agent obtains no Reference Bond Dealer Quotations, the Subsequent Reset Rate of Interest shall be that which was determined on the last preceding Reset Determination Date or, in the case of the first Reset Determination Date, the First Reset Rate of Interest shall be the Initial Rate of Interest;

“Reference Bond Rate” means, in respect of a Reset Period, the annual yield to maturity or interpolated yield to maturity (on the relevant day count basis) of the Reference Bond, assuming a price for such Reference Bond (expressed as a percentage of its nominal amount) equal to the Reference Bond Price;

“Reference Treasury Dealer Quotations” means with respect to each Reference Bank and the Reset Date, the arithmetic average, as determined by the Calculation Agent, of the bid and offered prices for the applicable Comparable Treasury Issue, expressed in each case as a percentage of its principal amount, at 11:00 a.m. (New York City time), on the Reset Determination Date;

“Relevant Screen Page” has the meaning specified in Condition 4(k), provided that in the case of the Reference Bond Rate it shall be in relation to a Reference Bond Rate;

“Relevant Time” means the time specified as such in the applicable Final Terms;

“Reset Date” means the First Reset Date, the Second Reset Date (if any) and each Subsequent Reset Date (if any), as applicable, in each case as adjusted in accordance with any Business Day Convention specified in the applicable Final Terms as if the relevant Reset Date was an Interest Payment Date;

“Reset Determination Date” means, in respect of a Reset Period, the date specified as such in the applicable Final Terms;

“Reset Period” means the First Reset Period or a Subsequent Reset Period, as the case may be;

“Reset Rate” means:

- (i) if Mid-Swap Rate is specified in the applicable Final Terms, the relevant Mid-Swap Rate;
- (ii) if Benchmark Gilt Rate is specified in the applicable Final Terms, the relevant Benchmark Gilt Rate;
- (iii) if Reference Bond is specified in the applicable Final Terms, the relevant Reference Bond Rate; or
- (iv) if CMT Rate is specified in the applicable Final Terms, the relevant CMT Rate;

“**Second Reset Date**” means the date specified in the applicable Final Terms;

“**Subsequent Margin**” means the margin specified in the applicable Final Terms;

“**Subsequent Reset Date**” means the date or dates specified in the applicable Final Terms;

“**Subsequent Reset Period**” means the period from (and including) the Second Reset Date to (but excluding) the next Subsequent Reset Date, and each successive period from (and including) a Subsequent Reset Date to (but excluding) the next succeeding Subsequent Reset Date or the Maturity Date, as the case may be;

“**Subsequent Reset Rate of Interest**” means, in respect of any Subsequent Reset Period, the rate of interest determined by the Calculation Agent on the relevant Reset Determination Date as the sum of (A) the relevant Reset Rate and (B) the relevant Subsequent Margin, converted (if the Reset Rate is either Mid-Swap Rate or the Reference Bond Rate), if not already on the same basis, from a basis equivalent to the Fixed Leg Swap Duration specified in the applicable Final Terms or the Reference Bond Rate, as the case may be, to a basis equivalent to the frequency with which scheduled interest payments are payable on the Notes during the relevant Reset Period (such calculation to be determined by the Calculation Agent);

“**U.S. Treasury Securities**” means securities that are direct obligations of the United States Treasury, issued other than on a discount rate basis; and

“**U.S. Government Securities Business Day**” means any day except for a Saturday, Sunday or a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities.

(b) Business Day Convention

If any date referred to in these Conditions which is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day which is not a Relevant Business Day, then, if the Business Day Convention specified is (i) the Floating Rate Business Day Convention, such date shall be postponed to the next day which is a Relevant Business Day unless it would thereby fall into the next calendar month, in which event (A) such date shall be brought forward to the immediately preceding Relevant Business Day and (B) each subsequent such date shall be the last Relevant Business Day of the month in which such date would have fallen had it not been subject to adjustment, (ii) the Following Business Day Convention, such date shall be postponed to the next day which is a Relevant Business Day, (iii) the Modified Following Business Day Convention, such date shall be postponed to the next day which is a Relevant 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 Relevant Business Day or (iv) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Relevant Business Day, provided that if ISDA Determination, “2021 ISDA Definitions” and “Unscheduled Holiday” are applicable in the applicable Final Terms, then in the case where Modified Following Business Day Convention, Modified Business Day Convention, Preceding Business Day Convention, FRN Convention, Floating Rate Convention or Eurodollar Convention apply to a particular date and that date would otherwise fall on a day that is not a Business Day as a result of an Unscheduled Holiday (as defined in the 2021 ISDA Definitions but disregarding references to Valuation Business Day and Exercise Business Day and construing references to the Confirmation to mean the applicable Final Terms) notwithstanding the provisions of (i) to (iv) above, such day will instead fall on the first following day that is a Business Day.

(c) ***Interest Rate on Floating Rate Notes, Index Linked Interest Notes, Equity Linked Interest Notes, Commodity Linked Interest Notes, Fund Linked Interest Notes and Synthetic Currency Notes***

Each Floating Rate Note, Index Linked Interest Note, Equity Linked Interest Note, Commodity Linked Interest Note, Fund Linked Interest Note and Synthetic Currency Note bears interest on its outstanding Principal Amount from and including the Interest Commencement Date, such interest being payable in arrear on either (i) Interest Payment Date(s) in each year specified in the applicable Final Terms; or (ii) if no Interest Payment Date(s) is/are specified in the applicable Final Terms, each date (also an “**Interest Payment Date**”) which falls the number of months or other period specified as the Interest Period in the applicable Final Terms after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, the Interest Commencement Date.

Such interest will be payable in respect of each Interest Period. The amount of interest payable shall be determined in accordance with Condition 4(g).

The Interest Rate for each Interest Accrual Period or Interest Period will be determined by the Calculation Agent at or about the Relevant Time on the Interest Determination Date in respect of such Interest Accrual Period or Interest Period in the manner specified in the applicable Final Terms:

(i) **Screen Rate Determination for Floating Rate Notes**

(A) Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Interest Rate is to be determined and the Benchmark is other than SOFR, €STR, SONIA or SORA, the Interest Rate for each Interest Accrual Period or Interest Period will be, subject to Condition 4(m) or 4(n):

(x) the Relevant Rate (where such Relevant Rate on the Relevant Screen Page is a composite quotation or is customarily supplied by one entity); or

(y) the arithmetic mean of the Relevant Rates of the persons whose Relevant Rates appear on the Relevant Screen Page,

in each case appearing on such Relevant Screen Page (or such replacement page on that service which displays the information) at the Relevant Time on the Interest Determination Date;

(B) (unless ISDA Determination Fallback is specified as being applicable in the applicable Final Terms, in which case the determination will then be made in accordance with Condition 4(c)(ii) (ISDA Determination) on the basis of the Floating Rate Option, Designated Maturity and Reset Date specified in the applicable Final Terms) if sub-paragraph (i)(A)(x) applies and no Relevant Rate appears on the Relevant Screen Page at the Relevant Time on the Interest Determination Date or if sub-paragraph (i)(A)(y) above applies and fewer than two Relevant Rates appear on the Relevant Screen Page at the Relevant Time on the Interest Determination Date, subject as provided below, the Interest Rate shall be the arithmetic mean of the Relevant Rates which each of the Reference Banks is quoting to major banks in the Relevant Financial Centre at the Relevant Time on the Interest Determination Date, as determined by the Calculation Agent;

(C) if paragraph (B) above applies (unless ISDA Determination Fallback is specified as being applicable in the applicable Final Terms, in which case the determination will then be made in accordance with Condition 4(c)(ii) (ISDA Determination) on the basis of the Floating Rate Option, Designated Maturity and Reset Date specified in the applicable Final Terms) and the Calculation Agent determines that fewer than two Reference Banks are so quoting Relevant Rates, subject as provided below, the Interest Rate shall be the arithmetic mean of the rates per annum (expressed as a percentage) which the Calculation Agent determines to be the rates (being the nearest equivalent to the Benchmark) in respect of a Representative Amount of the Relevant Currency which at least two out of five leading banks selected by the Calculation Agent in the principal financial centre of the country of the Relevant Currency or, if the Relevant Currency is euro in the principal financial centre of those member states that are participating in the European economic

and monetary union whose lawful currency is euro (the “**Eurozone**”) as selected by the Calculation Agent (either of such centres to be referred to herein as the “**Principal Financial Centre**”) are quoting at or about the Relevant Time on the date on which such banks would customarily quote such rates for a period commencing on the Effective Date for a period equivalent to the Specified Duration to leading banks carrying on business in Europe, or, if the Calculation Agent determines that fewer than two of such banks are so quoting, in the Principal Financial Centre, except that, if fewer than two of the banks in the Principal Financial Centre so selected by the Calculation Agent are quoting as aforesaid, the Interest Rate shall be the Interest Rate determined on the previous Interest Determination Date (after readjustment for any difference between any Margin, Rate Multiplier or Maximum Interest Rate or Minimum Interest Rate applicable to the preceding Interest Accrual Period and to the relevant Interest Accrual Period).

Unless otherwise stated in the applicable Final Terms the Minimum Interest Rate shall be deemed to be zero.

- (D) (1) Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Interest Rate is to be determined and the Benchmark in respect of the relevant Series of Floating Rate Notes is specified in the applicable Final Terms as being “SONIA” and the Calculation Method is specified in the applicable Final Terms as being “Compounded Daily Rate” (in which case this Condition 4(c)(i)(D)(1) shall apply, and Conditions 4(c)(i)(A) to (C) and Conditions 4(c)(i)(E) to (G) shall not apply), the Interest Rate for each Interest Accrual Period will, subject to Condition 4(m) (unless otherwise specified in the applicable Final Terms) and as provided below, be Compounded Daily SONIA (as determined by the Calculation Agent).

“**Compounded Daily SONIA**” means, with respect to an Interest Accrual Period, the rate of return of a daily compound interest investment (with the daily Sterling overnight reference rate as reference rate for the calculation of interest) and will be calculated by the Calculation Agent, on the relevant Interest Determination Date, as follows, and the resulting percentage will be rounded if necessary to the fourth decimal place, with 0.00005 per cent. being rounded upwards:

$$\left[\prod_{i=1}^{d_0} \left(1 + \frac{\text{Relevant SONIA}_i \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

where:

“*d*” is the number of calendar days in:

(a) where Lag is specified as the Observation Method in the applicable Final Terms, the relevant Interest Accrual Period; or

(b) where Shift is specified as the Observation Method in the applicable Final Terms, the relevant Observation Period;

“*d*₀” is the number of London Banking Days in:

(a) where Lag is specified as the Observation Method in the applicable Final Terms, the relevant Interest Accrual Period; or

(b) where Shift is specified as the Observation Method in the applicable Final Terms, the relevant Observation Period;

“*i*” is a series of whole numbers from one to *d*₀, each representing the relevant London Banking Day in chronological order from, and including, the first London Banking Day in:

(a) where Lag is specified as the Observation Method in the applicable Final Terms, the relevant Interest Accrual Period; or

(b) where Shift is specified as the Observation Method in the applicable Final Terms, the relevant Observation Period;

“**London Banking Day**” or “**LBD**” means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London, UK;

“ n_i ”, for any London Banking Day “ i ”, means the number of calendar days from (and including) such London Banking Day “ i ” up to (but excluding) the following London Banking Day;

“**Observation Look-back Period**” is as specified in the applicable Final Terms and in no case shall be less than five London Business Days;

“**Observation Period**” means the period from and including the date falling “ p ” London Banking Days prior to the first day of the relevant Interest Accrual Period and ending on, but excluding, the date falling “ p ” London Banking Days prior to (A) (in the case of an Interest Period) the Interest Payment Date for such Interest Period or (B) (in the case of any other Interest Accrual Period) the date on which Notes become due and payable;

“ p ”, for any Interest Accrual Period, the number of London Banking Days included in the Observation Look-back Period, as specified in the applicable Final Terms and which shall not be specified in the applicable Final Terms as less than five without the prior agreement of the Calculation Agent;

“**Relevant SONIA_i**” means, in respect of any London Banking Day “ i ”:

(a) where “Lag” is specified as the Observation Method in the applicable Final Terms, SONIA _{$i-p$ LBD}; or

(b) where “Shift” is specified as the Observation Method in the applicable Final Terms, SONIA _{i LBD};

“**SONIA Reference Rate**”, in respect of any London Banking Day, is a reference rate equal to the daily Sterling Overnight Index Average (“**SONIA**”) rate for such London Banking Day as provided by the administrator of SONIA to authorized distributors and as then published on the Relevant Screen Page or, if the Relevant Screen Page is unavailable, as otherwise published by such authorized distributors, in each case, on the London Banking Day immediately following such London Banking Day;

“SONIA _{i LBD}” means, in respect of any London Banking Day “ i ” the SONIA reference rate for such London Banking Day “ i ”; and

“SONIA _{$i-p$ LBD}” means, in respect of any London Banking Day falling in the relevant Interest Accrual Period, the SONIA Reference Rate for the London Banking Day falling “ p ” London Banking Days prior to the relevant London Banking Day “ i ”.

If, in respect of any London Banking Day in the relevant Observation Period, the applicable SONIA Reference Rate is not made available on the Relevant Screen Page or has not otherwise been published by the relevant authorized distributors, then unless the Calculation Agent has been notified of any Successor Rate or Alternative Rate (and any related Adjustment Spread or Benchmark Amendments) pursuant to Condition 4(m), if applicable, the SONIA Reference Rate in respect of such London Banking Day shall be:

- (a) (i) the Bank of England’s Bank Rate (the “**Bank Rate**”) prevailing at 5.00 p.m. (or, if earlier, close of business) on the relevant London Banking Day; plus (ii)

the mean of the spread of the SONIA Reference Rate to the Bank Rate over the previous five London Banking Days on which a SONIA Reference Rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads) to the Bank Rate; and

- (b) if the Bank Rate is not published by the Bank of England as set out in subparagraph (a) above on the relevant London Banking Day, the SONIA Reference Rate published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) for the immediately preceding London Banking Day on which the SONIA Reference Rate was published on the Relevant Screen Page (or otherwise published by the relevant authorized distributors).

Notwithstanding the paragraph above, and subject to Condition 4(m), in the event the Bank of England publishes guidance as to (i) how the SONIA Reference Rate is to be determined or (ii) any rate that is to replace the SONIA Reference Rate, the Calculation Agent shall, to the extent that it is reasonably practical, follow such guidance in order to determine the SONIA Reference Rate for any London Banking Day “i”, for the purpose of the relevant series of the Floating Rate Notes for so long as the SONIA Reference Rate is not available or has not been published by the authorized distributors.

(2) Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Interest Rate is to be determined and the Benchmark in respect of the relevant Series of Floating Rate Notes is specified in the applicable Final Terms as being “SONIA” and the Calculation Method is specified in the applicable Final Terms as being “Compounded Index Rate” (in which case this Condition 4(c)(i)(D)(2) shall apply, and Conditions 4(c)(i)(A) to (D)(1) and Conditions 4(c)(i)(E) to (F) shall not apply), the Interest Rate for each Interest Accrual Period will, subject to Condition 4(m) and as provided below, be Compounded Daily SONIA, for the Interest Accrual Period determined by reference to the screen rate or index for Compounded Daily SONIA administered by the administrator of the SONIA reference rate that is published or displayed by such administrator or other information service from time to time at the relevant time on the relevant Index Determination Dates specified below, as further specified in the applicable Final Terms (the “**SONIA Compounded Index**”) and in accordance with the following formula, and the resulting percentage will be rounded if necessary to the fourth decimal place, with 0.00005 per cent. being rounded upwards, all determined by the Calculation Agent.

Compounded Daily SONIA rate =

$$\left(\frac{\text{SONIA Compounded Index}_y}{\text{SONIA Compounded Index}_x} - 1 \right) \times \frac{365}{d}$$

where:

“x” denotes that the relevant SONIA Compounded Index is the SONIA Compounded Index determined in relation to the day falling the Relevant Number of London Banking Days prior to the first day of the relevant Interest Accrual Period;

“y” denotes that the relevant SONIA Compounded Index is the SONIA Compounded Index determined in relation to the day falling the Relevant Number of London Banking Days prior to the Interest Payment Date for such Interest Accrual Period, or such other date as when the relevant payment of interest falls to be due (but which by definition or the operation of the relevant provisions is excluded from such Interest Accrual Period);

A day on which the SONIA Compounded Index is determined pursuant to paragraph “x” or “y” above is referred to as an “Index Determination Date”;

“d” is the number of calendar days from (and including) the day in relation to which x is determined to (but excluding) the day in relation to which y is determined; and

“**Relevant Number**” is as specified in the applicable Final Terms.

If the SONIA Compounded Index is not published or displayed by the administrator of the SONIA reference rate or other information service at the relevant time on any relevant Index Determination Date, the Compounded Daily SONIA rate for the applicable Interest Period for which SONIA Compounded Index is not available shall be “Compounded Daily SONIA” determined in accordance with Condition 4(c)(i)(D)(1) above as if Compounded Index Rate is not specified as being applicable in the applicable Final Terms. For these purposes, the “Calculation Method” shall be deemed to be “Compounded Daily Rate”, the Relevant Number specified in the applicable Final Terms shall be the “Observation Look-back Period” and “Observation Method” shall be deemed to be “Shift” as if Compounded Index Rate is not specified as being applicable and these alternative elections had been made.

(3) If the relevant Series of Notes become due and payable in accordance with Condition 9, the final Interest Rate shall be calculated for the Interest Accrual Period to (but excluding) the date on which the Note becomes so due and payable, and such Interest Rate shall continue to apply to the Notes for so long as interest continue to accrue thereon as provided in Condition 4(i).

- (E) Where “Screen Rate Determination” is specified in the applicable Final Terms as the manner in which the Interest Rate is to be determined and the Benchmark in respect of the relevant Series of Floating Rate Notes is specified in the applicable Final Terms as being “SOFR” (in which case this Condition 4(c)(i)(E) shall apply, and Conditions 4(c)(i)(A) to (D) and Conditions 4(c)(i)(F) to (G) shall not apply), the Rate of Interest for each Interest Accrual Period will, subject as provided below and to Condition 4(n) (unless otherwise specified in the applicable Final Terms), be Compounded SOFR with respect to such Interest Accrual Period.

“**Compounded Daily SOFR**” means, in respect to an Interest Accrual Period, the rate computed in accordance with the formula set out below, and will be calculated by the Calculation Agent on the relevant Interest Determination Date (and the resulting percentage will be rounded, if necessary, to the fifth decimal point, with 0.000005 percent being rounded upward):

$$\left(\frac{SOFR\ Index_{End}}{SOFR\ Index_{Start}} - 1 \right) \times \frac{360}{d}$$

provided that, if SOFR Index_{Start} or SOFR Index_{End} is not published on the associated Interest Determination Date and a USD Benchmark Transition Event and its related USD Benchmark Replacement Date have not occurred with respect to SOFR, the “Compounded Daily Reference Rate” for the applicable Interest Period for which such index is not available, will be the rate of return, calculated by the Calculation Agent on the relevant Interest Determination Date, based on SOFR in accordance with the formula for SOFR Averages, and definitions required for such formula, published on the SOFR Administrator’s Website at <https://www.newyorkfed.org/markets/reference-rates/sofr> and, for the purposes of this provision, references in the SOFR Averages compounding formula and related definitions to “calculation period” shall be replaced with “Observation Period” and the words “that is, 30-, 90-, or 180- calendar days” shall be

removed. If the daily SOFR (“**SOFR_{*i*}**”) does not so appear for any day “*i*” in the Observation Period, **SOFR_{*i*}** for such day “*i*” shall be SOFR published in respect of the first preceding U.S. Government Securities Business Day for which SOFR was published on the SOFR Administrator’s Website,

where:

“***d***” means the number of calendar days from (and including) the SOFR Index Start Date to (but excluding) the SOFR Index End Date (being the number of calendar days in the Observation Period);

“**Observation Period**” means, in respect of the relevant Interest Period, the period from, and including, the date falling “*p*” U.S. Government Securities Business Days prior to the first day of such Interest Period to, but excluding, the date which is “*p*” U.S. Government Securities Business Days prior to the Interest Payment Date for such Interest Period (or the date falling “*p*” U.S. Government Securities Business Days prior to such earlier date, if any, on which the Notes become due and payable);

“***p***” means, for the relevant Interest Period, the number of U.S. Government Securities Business Days specified to be the Observation Period Shift in the applicable Final Terms (or, if no such number is specified, two U.S. Government Securities Business Days);

“**SOFR**” means the daily secured overnight financing rate as provided by the SOFR Administrator on the SOFR Administrator’s Website;

“**SOFR Administrator**” means the Federal Reserve Bank of New York (or a successor administrator of SOFR);

“**SOFR Administrator’s Website**” means the website of the Federal Reserve Bank of New York, or any successor source;

“**SOFR Index**” means, with respect to any U.S. Government Securities Business Day:

- (a) the SOFR Index value as published by the SOFR Administrator as such index appears on the SOFR Administrator’s Website at 3:00 p.m. (New York time) on such US Government Securities Business Day (the SOFR Index Determination Time); provided that:
- (b) if a SOFR Index value does not so appear as specified in (a) above at the SOFR Index Determination Time, then:
 - (i) if a USD Benchmark Transition Event and its related USD Benchmark Replacement Date have not occurred with respect to SOFR, then “Compounded SOFR” shall be the rate determined pursuant to the proviso of the definition of “Compounded SOFR” above; or
 - (ii) if a USD Benchmark Transition Event and its related USD Benchmark Replacement Date have occurred with respect to SOFR, then the “Compounded Daily Reference Rate” shall be the rate determined pursuant to Condition 4(n);

“**SOFR Index_{Start}**” means the SOFR Index value on the SOFR Index Start Date;

“**SOFR Index_{End}**” means the SOFR Index value on the SOFR Index End Date;

“**SOFR Index End Date**” means, in respect of the relevant Interest Period, the date which is “*p*” U.S. Government Securities Business Days prior to the Interest Payment Date for such Interest Period (or the date falling “*p*” U.S. Government Securities Business Days prior to such earlier date, if any, on which the Notes become due and payable);

“**SOFR Index Start Date**” means, in respect of the relevant Interest Period, the first day of the Observation Period relating to such Interest Period;

“**USD Benchmark Transition Event**” and “**USD Benchmark Replacement Date**” have the meanings given to them in Condition 4(n); and

“**U.S. Government Securities Business Day**” means any day except for a Saturday, Sunday or a day on which the Securities Industry and Financial Markets Association (or any successor thereto) recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities.

If the relevant Series of Notes become due and payable following an Event of Default, the final Rate of Interest shall be calculated for the Interest Period to (but excluding) the date on which the Notes become due and payable, and such Rate of Interest shall continue to apply to the Notes for so long as interest continues to accrue thereon as provided in Condition 4(i).

- (F) Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Interest Rate is to be determined and the Benchmark in respect of the relevant Series of Floating Rate Notes is specified in the applicable Final Terms as being “**€STR**” and the Calculation Method is specified in the applicable Final Terms as being “**Compounded Daily Rate**” (in which case this Condition 4(c)(i)(F) shall apply, and Conditions 4(c)(i)(A) to (E) and Condition 4(c)(i)(G) shall not apply), the Interest Rate for each Interest Accrual Period will, subject to Condition 4(m) and as provided below, be Compounded Daily €STR (as determined by the Calculation Agent). Compounded Daily €STR will be calculated in accordance with the lag observation method (the “**Observation Look-back Convention**”) or the shift observation method (the “**Observation Shift Convention**” and each, a “**Observation Method**”). The applicable Final Terms will indicate which Observation Method is applicable.

“**Compounded Daily €STR**” means, with respect to an Interest Accrual Period, the rate of return of a daily compound interest investment (with the daily euro short-term rate as reference rate for the calculation of interest) and will be calculated by the Calculation Agent on the Interest Determination Date as follows, and the resulting percentage will be rounded, if necessary, to the fourth decimal place, with each 0.00005 per cent. being rounded upwards:

- (1) Observation Look-back Convention:

$$\left[\prod_{i=1}^{d_0} \left(1 + \frac{(\text{€STR}_{i-pTBD} \times n_i)}{360} \right) - 1 \right] \times \frac{360}{d}$$

where:

“**d**” is the number of calendar days in the relevant Interest Accrual Period;

“**d₀**”, for any Interest Accrual Period, is the number of T2 Settlement Days (as defined below) in the relevant Interest Accrual Period;

“**€STR_{i-pTBD}**” means, for any day “**i**” in the relevant Interest Accrual Period, the €STR Reference Rate for the T2 Settlement Day falling “**p**” T2 Settlement Days prior to the relevant T2 Settlement Day “**i**”;

“**i**” is a series of whole numbers from one to d₀, each representing the relevant T2 Settlement Day in chronological order from, and including, the first T2 Settlement Day in the relevant Interest Accrual Period;

“ n_i ” for any T2 Settlement Day “ i ” is the number of calendar days from, and including, such T2 Settlement Day “ i ” up to, but excluding, the following T2 Settlement Day;

“**Observation Look-back Period**” is as specified in the applicable Final Terms; and

“ p ”, for any Interest Accrual Period, is the number of T2 Settlement Days included in the Observation Look-back Period and which shall not be specified in the applicable Final Terms as less than five without the prior agreement of the Calculation Agent;

(2) Observation Shift Convention:

$$\left[\prod_{i=1}^{d_0} \left(1 + \frac{\text{€STR}_i \times n_i}{360} \right) - 1 \right] \times \frac{360}{d}$$

where:

“ d ” is the number of calendar days in the relevant Observation Period;

“ d_0 ”, for any Observation Period, is the number of T2 Settlement Days (as defined below) in the relevant Observation Period;

“ €STR_i ” means, in respect of any T2 Settlement Day “ i ” falling in the relevant Observation Period, the €STR Reference Rate for that T2 Settlement Day “ i ”;

“ i ” is a series of whole numbers from one to d_0 , each representing the relevant T2 Settlement Day in chronological order from, and including, the first T2 Settlement Day in the relevant Observation Period;

“ n_i ” for any T2 Settlement Day “ i ” is the number of calendar days from, and including, such T2 Settlement Day “ i ” up to, but excluding, the following T2 Settlement Day;

“**Observation Period**” means, in respect of an Interest Period, the period from, and including, the date falling “ p ” T2 Settlement Days prior to the first day of the relevant Interest Accrual Period (and the first Observation Period shall begin on and include the date falling “ p ” T2 Settlement Days prior to the Interest Commencement Date) and ending on, but excluding, the date falling “ p ” T2 Settlement Days prior to the Interest Payment Date for such Interest Period (or the date falling “ p ” T2 Settlement Days prior to such earlier date, if any, on which the Notes become due and payable);

“ p ”, for any Interest Accrual Period, is the number of T2 Settlement Days included in the Observation Look-back Period, as specified in the applicable Final Terms and which shall not be specified in the applicable Final Terms as less than five without the prior agreement of the Calculation Agent.

(3) And, for each Compounded Daily €STR Observation Convention, the following definitions shall also apply:

“**ECB Recommended Rate Index Cessation Event**” means the occurrence of one or more of the following events:

- (a) a public statement or publication of information by or on behalf of the administrator of the ECB Recommended Rate announcing that it has ceased or will cease to provide the ECB Recommended Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the ECB Recommended Rate; or

- (b) a public statement or the publication of information by the regulatory supervisor for the administrator of the ECB Recommended Rate, the central bank for the currency of the ECB Recommended Rate, an insolvency official with jurisdiction over the administrator of the ECB Recommended Rate, a resolution authority with jurisdiction over the administrator of the ECB Recommended Rate or a court or an entity with similar insolvency or resolution authority over the administrator of the ECB Recommended Rate, which states that the administrator of the ECB Recommended Rate has ceased or will cease to provide the ECB Recommended Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to publish or provide the ECB Recommended Rate;

“ECB Recommended Rate Index Cessation Effective Date” means, in respect of an ECB Recommended Rate Index Cessation Event, the first date on which the ECB Recommended Rate would ordinarily have been provided and is no longer provided;

“€STR Index Cessation Event” means the occurrence of one or more of the following events:

- (a) a public statement or publication of information by or on behalf of the administrator of €STR announcing that it has ceased or will cease to publish or provide €STR permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide €STR; or
- (b) a public statement or the publication of information by the regulatory supervisor for the administrator of €STR, the central bank for the currency of €STR, an insolvency official with jurisdiction over the administrator of €STR, a resolution authority with jurisdiction over the administrator of €STR or a court or an entity with similar insolvency or resolution authority over the administrator of €STR, which states that the administrator of €STR has ceased or will cease to provide €STR permanently or indefinitely, provided that, at that time, there is no successor administrator that will continue to publish or provide €STR;

“€STR Index Cessation Effective Date” means, in respect of €STR and an €STR Index Cessation Event, the first date on which €STR would ordinarily have been provided and is no longer provided;

“€STR Reference Rate” means in respect of any T2 Settlement Day, a reference rate equal to the daily euro short-term rate (“**€STR**”) for such T2 Settlement Day as provided by the European Central Bank, as administrator of such rate (or any successor administrator of such rate), on the website of the European Central Bank, currently at <http://www.ecb.europa.eu>, or any successor website officially designated by the European Central Bank (the “**ECB’s Website**”) (in each case, on or before 9:00 a.m. Central European Time on the T2 Settlement Day immediately following such T2 Settlement Day (or any amended publication time for €STR as specified by the administrator of €STR in the €STR benchmark methodology)); and

“T2 Settlement Day” or **“TBD”** has the meaning set out in Condition 4(j).

(4) **€STR Fallbacks:** If the €STR Reference Rate does not appear on a T2 Settlement Day as specified above, unless both an €STR Index Cessation Event and an €STR Index Cessation Effective Date (each as defined below) have occurred, the €STR Reference Rate shall be a rate equal to €STR in respect of the last T2 Settlement Day for which such rate was published on the ECB’s Website.

If the €STR Reference Rate does not appear on a T2 Settlement Day as specified above, and both an €STR Index Cessation Event and an €STR Index Cessation Effective Date have occurred, the rate for each T2 Settlement Day occurring on or after such €STR Index Cessation Effective Date will be determined as if references to “€STR” were references to the rate (inclusive of any spreads or adjustments) that was recommended as the replacement for €STR by (i) the European Central Bank (or any successor administrator of €STR) and/or by a committee officially endorsed or convened by the European Central Bank (or any successor administrator of €STR) and/or the European Securities and Markets Authority, in each case for the purpose of recommending a replacement for €STR (which rate may be produced by the European Central Bank or another administrator) and as provided by the administrator of that rate or, if that rate is not provided by the administrator thereof (or a successor administrator), published by an authorized distributor (the “**ECB Recommended Rate**”), provided that, if no such rate has been recommended before the end of the first T2 Settlement Day following the €STR Index Cessation Effective Date, then the rate for each T2 Settlement Day occurring on or after such €STR Index Cessation Effective Date will be determined as if references to €STR were references to the Eurosystem Deposit Facility Rate, the rate on the deposit facility that banks may use to make overnight deposits with the Eurosystem, as published on the ECB’s Website (the “**EDFR**”) on such T2 Settlement Day plus the arithmetic mean of the daily difference between the €STR and the EDFR over an observation period of 30 T2 Settlement Days starting 30 T2 Settlement Days prior to the day on which the €STR Index Cessation Event occurs and ending on the T2 Settlement Day immediately preceding the day on which the €STR Index Cessation Event occurs (the “**EDFR Spread**”); provided further that, if both an ECB Recommended Rate Index Cessation Event and an ECB Recommended Rate Index Cessation Effective Date subsequently occur, then the rate for each T2 Settlement Day occurring on or after that ECB Recommended Rate Index Cessation Effective Date will be determined as if references to “€STR” were references to the EDFR on such T2 Settlement Day plus the arithmetic mean of the daily difference between the ECB Recommended Rate and the EDFR over an observation period of 30 T2 Settlement Days starting 30 T2 Settlement Days prior to the day on which the €STR Index Cessation Event occurs and ending on the T2 Settlement Day immediately preceding the day on which the ECB Recommended Rate Index Cessation Event occurs.

In the event that the Rate of Interest cannot be determined in accordance with the foregoing provisions, but without prejudice to Condition 4(m), (i) the Rate of Interest applicable to the Notes during such Interest Accrual Period will be the Rate of Interest last determined in relation to the Notes in respect of the last preceding Interest Accrual Period (though substituting, where a different Margin or Maximum Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Interest Period, in place of the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest Accrual Period) or (ii) if there is no such preceding Interest Determination Date, the Rate of Interest shall be determined as if references to €STR for each T2 Settlement Day occurring on or after the €STR Index Cessation Effective Date were references to the latest published ECB Recommended Rate or, if the EDFR is published on a later date than the latest published ECB Recommended Rate, the latest published EDFR plus the EDFR Spread.

If an €STR Index Cessation Event occurs, the Issuer will promptly notify the Noteholders in accordance with Condition 14 and the Calculation Agent of such occurrence.

(5) If the relevant Series of Notes become due and payable following an Event of Default, the final Rate of Interest shall be calculated for the Interest Period to (but excluding) the date on which the Notes become due and payable, and such Rate of Interest shall continue to apply to the Notes for so long as interest continues to accrue thereon as provided in Condition 4(i).

- (G) (1) Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Interest Rate is to be determined and the Benchmark in respect of the relevant Series of Floating Rate Notes is specified in the applicable Final Terms as being “SORA” and the Calculation Method is specified in the applicable Final Terms as being “Compounded Daily Rate” (in which case this Condition 4(c)(i)(G) shall apply, and Conditions 4(c)(i)(A) to (F) shall not apply), the Interest Rate for each Interest Accrual Period will, subject to Condition 4(m) and as provided below, be Compounded Daily SORA (as determined by the Calculation Agent). Compounded Daily SORA will be calculated in accordance with the lag observation method (the “**Observation Look-back Convention**”) or the shift observation method (the “**Observation Shift Convention**”) and each, an “**Observation Method**”). The applicable Final Terms will indicate which Observation Method is applicable.

(x) Observation Look-back Convention:

“**Compounded Daily SORA**” means, with respect to an Interest Accrual Period, the rate of return of a daily compound interest investment (with the reference rate for the calculation of interest being the daily Singapore Overnight Rate Average) calculated in accordance with the formula set forth below by the Calculation Agent on the Interest Determination Date, to the fourth decimal place (0.0001%), with 0.00005% being rounded upwards.

$$\left[\prod_{i=1}^{d_0} \left(1 + \frac{SORA_{i-xSBD} \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

where:

“*d*” is the number of calendar days in the relevant Interest Accrual Period;

“*d₀*”, for any Interest Accrual Period, is the number of Singapore Business Days in the relevant Interest Accrual Period;

“*i*”, for the relevant Interest Accrual Period, is a series of whole numbers from one to *d₀*, each representing the relevant Singapore Business Days in chronological order from, and including, the first Singapore Business Day in such Interest Accrual Period to the last Singapore Business Day in such Interest Accrual Period;

“*n_i*”, for any day “*i*”, is the number of calendar days from and including such day “*i*” up to but excluding the following Singapore Business Day;

“**Observation Look-back Period**” is as specified in the applicable Final Terms;

“*p*”, for any Interest Accrual Period, is the number of Singapore Business Days included in the Observation Look-back Period and which shall not be specified in the applicable Final Terms as less than five without the prior agreement of the Calculation Agent;

“**Singapore Business Days**” or “**SBD**” means a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments in Singapore;

“**SORA**” means, in respect of any Singapore Business Day “*i*”, a reference rate equal to the daily Singapore Overnight Rate Average provided by the Monetary Authority of Singapore (or a successor administrator), as the administrator of the benchmark, on the Monetary Authority of Singapore’s website currently at [http:// www.mas.gov.sg](http://www.mas.gov.sg), or any successor website officially designated by the Monetary Authority of Singapore (or as published by its authorised distributors) (the “**Relevant Screen Page**”) on the Singapore Business Day immediately following such day “*i*”; and

“**SORA_{i-xSBD}**”, in respect of any Singapore Business Day falling in the relevant Interest Accrual Period, the reference rate equal to SORA in respect of the Singapore Business Day falling “*p*” Singapore Business Days prior to the relevant Singapore Business Day.

If, subject to Condition 4(m), by 5.00 p.m. Singapore time, on the Singapore Business Day immediately following such day “*i*”, SORA in respect of such day “*i*” has not been published on the Relevant Screen Page and a Benchmark Event has not occurred, then SORA for that day “*i*” will be SORA as published in respect of the first preceding Singapore Business Day for which SORA was published.

(y) Observation Shift Convention:

“**Compounded Daily SORA**” means, with respect to an Interest Accrual Period, the rate of return of a daily compound interest investment (with the reference rate for the calculation of interest being the daily Singapore Overnight Rate Average) calculated in accordance with the formula set forth below by the Calculation Agent on the Interest Determination Date, with the resulting percentage being rounded, if necessary, to the fourth decimal place (0.0001%), with 0.00005% being rounded upwards.

$$\left[\prod_{i=1}^{d_0} \left(1 + \frac{SORA_i \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

where:

“*d*” is the number of calendar days in the relevant Observation Period;

“*d₀*”, for any Interest Accrual Period, is the number of Singapore Business Days in the relevant Observation Period;

“*i*”, for the relevant Interest Accrual Period, is a series of whole numbers from one to *d₀*, each representing the relevant Singapore Business Days in chronological order from, and including, the first Singapore Business Day in such Observation Period to the last Singapore Business Day in such Observation Period;

“*n_i*”, for any day “*i*”, is the number of calendar days from and including such day “*i*” up to but excluding the following Singapore Business Day;

“**Observation Look-back Period**” is as specified in the applicable Final Terms;

“**Observation Period**” means, for the relevant Interest Accrual Period, the period from, and including, the date falling “*p*” Singapore Business Days prior to the first day of such Interest Accrual Period (and the first Interest Accrual Period shall begin on and include the Interest Commencement Date) and to, but excluding, the date falling “*p*” Singapore Business Days prior to the Interest Payment Date at the end of such Interest Accrual Period or the date falling “*p*” Singapore Business Days prior to such earlier date, if any, on which the Notes become due and payable);

“*p*”, for any Interest Accrual Period, is the number of Singapore Business Days included in the Observation Look-back Period and which shall not be specified in the applicable Final Terms as less than five without the prior agreement of the Calculation Agent;

“**Singapore Business Days**” or “**SBD**” means a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments in Singapore;

“**SORA**” means, in respect of any Singapore Business Day “*i*”, a reference rate equal to the daily Singapore Overnight Rate Average provided by the Monetary Authority of Singapore (or a successor administrator), as the administrator of the benchmark, on the Monetary Authority of Singapore’s website currently at <http://www.mas.gov.sg>, or any

successor website officially designated by the Monetary Authority of Singapore (or as published by its authorised distributors) (the “**Relevant Screen Page**”) on the Singapore Business Day immediately following such day “*t*”; and

“**SORA_t**” means, in respect of any Singapore Business Day falling in the relevant Observation Period, the reference rate equal to SORA in respect of that Singapore Business Day.

If, subject to Condition 4(m), by 5.00 p.m. Singapore time, on the Singapore Business Day immediately following such day “*t*”, SORA in respect of such day “*t*” has not been published on the Relevant Screen Page and a Benchmark Event has not occurred, then SORA for that day “*t*” will be SORA as published in respect of the first preceding Singapore Business Day for which SORA was published.

(2) Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Interest Rate is to be determined and the Benchmark in respect of the relevant Series of Floating Rate Notes is specified in the applicable Final Terms as being “**SORA**” and the Calculation Method is specified in the applicable Final Terms as being “**SORA Index Average**” (in which case this Condition 4(c)(i)(G) shall apply, and Conditions 4(c)(i)(A) to (F) shall not apply), the Interest Rate for each Interest Accrual Period will, subject to Condition 4(m) and as provided below, the rate calculated by the Calculation Agent on the relevant Interest Determination Date in accordance with the following formula:

$$\left(\frac{SORA\ INDEX_{End}}{SORA\ INDEX_{Start}} \right) \times \left(\frac{365}{d_c} \right)$$

and the resulting percentage being rounded if necessary to the fourth decimal place (0.0001%), with 0.00005% being rounded upwards, where:

“*d_c*” means the number of calendar days from (and including) the day on which the relevant SORA Index_{Start} is determined to (but excluding) the day on which the relevant SORA Index_{End} is determined;

“**Singapore Business Days**” or “**SBD**” means a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments in Singapore;

“**SORA Index**” means, in relation to any Singapore Business Day:

(A) the SORA Index as published by the Monetary Authority of Singapore (or a successor administrator), as the administrator of the benchmark, on the Monetary Authority of Singapore’s website currently at <http://www.mas.gov.sg>, or any successor website officially designated by the Monetary Authority of Singapore (or as published by its authorised distributors) on such Singapore Business Day, provided, however, that in the event that the value originally published is subsequently corrected and such corrected value is published by the Monetary Authority of Singapore, as the administrator of SORA (or any successor administrator of SORA) on the original date of publication, then such corrected value, instead of the value that was originally published, shall be deemed the SORA Index Value in relation to such Singapore Business Day; or

(B) if the SORA Index required to determine SORA Index_{Start} or SORA Index_{End} does not so appear on the relevant Interest Determination Date, then:

(i) if a Benchmark Event has not occurred, the “**SORA Index Average**” shall be calculated on any Interest Determination Date with respect to an Interest Accrual Period, in accordance with the Compounded Daily SORA formula described above in sub-paragraph (G)(1)(y), and the Observation Look-back Period shall be the Relevant Number of Singapore Business Days as specified in the applicable

Final Terms. For these purposes, “Observation Shift Convention” shall be deemed to apply; or

- (ii) if a Benchmark Event has occurred, the provisions set forth in Condition 4(m) shall apply;

“**SORA Index_{End}**” means the SORA Index value on the date falling the Relevant Number of Singapore Business Days preceding the Interest Payment Date relating to the relevant Interest Accrual Period (or in the case of the final Interest Accrual Period, the Maturity Date);

“**SORA Index_{Start}**” means the SORA Index value on the date falling the Relevant Number of Singapore Business Days preceding the first date of the relevant Interest Accrual Period; and

“**Relevant Number**” is as specified in the applicable Final Terms.

(3) If the relevant Series of Notes becomes due and payable in accordance with Condition 9, the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the applicable Final Terms, be deemed to be the due date on which such Notes become due and payable (with corresponding adjustments being deemed to be made to the relevant SORA formula) and the Rate of Interest on such Notes shall, for so long as any such Note remains outstanding, be that determined on such date.

(ii) ISDA Determination for Floating Rate Notes

Where ISDA Determination is specified in the applicable Final Terms as the manner in which the Interest Rate is to be determined, the Interest Rate for each Interest Accrual Period or Interest Period will be the relevant ISDA Rate. For the purposes of this sub-paragraph (ii), “**ISDA Rate**” for an Interest Accrual Period or Interest Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under an interest rate swap transaction if the Calculation Agent were acting as ISDA Calculation Agent for that swap transaction under the terms of an agreement incorporating:

(1) if “**2006 ISDA Definitions**” is specified in the applicable Final Terms, the 2006 ISDA Definitions, as amended and updated as at the Issue Date of the first Tranche of the Notes, as published by the International Swaps and Derivatives Association, Inc. (including any successor thereto, “**ISDA**”); or

(2) if “**2021 ISDA Definitions**” is specified in the applicable Final Terms, the latest version of the 2021 ISDA Interest Rate Derivatives Definitions (including each Matrix (as defined therein)) (and any successor thereto), as published by ISDA as at the Issue Date of the first Tranche of the Notes (the “**ISDA Definitions**”) and under which:

(A) the Floating Rate Option (as defined in the ISDA Definitions) is as specified in the applicable Final Terms;

(B) the Designated Maturity (as defined in the ISDA Definitions), if applicable, is a period specified in the applicable Final Terms;

(C) the relevant Reset Date (as defined in the ISDA Definitions) is either:

(x) if the relevant Floating Rate Option is based on EURIBOR, the first day of the Interest Period; or

(y) in any other case, the day specified in the applicable Final Terms;

(D) if the Floating Rate Option is an Overnight Floating Rate Option and Compounding Method is specified to apply in the applicable Final Terms, the Overnight Rate

Compounding Method will be one of the following, as specified in the applicable Final Terms:

- (x) Compounding with Lookback;
 - (y) Compounding with Observation Period Shift; or
 - (z) Compounding with Lockout;
- (E) if the Floating Rate Option is an Overnight Floating Rate Option and Averaging is specified to apply in the applicable Final Terms, the Overnight Averaging Method will be one of the following, as specified in the applicable Final Terms:
- (x) Averaging with Lookback;
 - (y) Averaging with Observation Period Shift; or
 - (z) Averaging with Lockout;
- (F) if the Floating Rate Option is a Compounded Index Floating Rate Option, the Index Method will be Compounded Index Method with Observation Period Shift as specified in the applicable Final Terms;
- (G) if the 2021 ISDA Definitions apply, (i) any fallbacks that would otherwise be required to be determined in accordance with Section 8.6 (Generic Fallback Provisions) of the 2021 ISDA Definitions shall not be so determined, but shall instead be determined in accordance with Condition 4(h); (ii) if Administrator/Benchmark Event is specified in the Floating Rate Matrix in respect of the relevant Floating Rate Option, Condition 4(h) shall apply in place of the provisions relating to Administrator/Benchmark Event and the Administrator/ Benchmark Fallback in the 2021 ISDA Definitions; and (iii) if the Temporary Non-Publication Fallback in respect of any specified Floating Rate Option is specified to be "Temporary Non-Publication – Fallback Alternative Rate" in the Floating Rate Matrix of the 2021 ISDA Definitions, the reference to "Calculation Agent Alternative Rate Determination" in the definition of "Temporary Non-Publication – Fallback Alternative Rate" shall be replaced by "Temporary Non-Publication Fallback – Previous Day's Rate", and the 2021 ISDA Definitions shall be construed accordingly;
- (H) if the 2021 ISDA Definitions apply, Period End Date/ Termination Date adjustment for Unscheduled Holiday (as defined in the 2021 ISDA Definitions) will apply if specified in the applicable Final Terms to be applicable;
- (I) if the 2021 ISDA Definitions apply, Non-Representative (as defined in the 2021 ISDA Definitions) will apply if specified in the relevant Final Terms to be applicable; and
- (J) if the 2021 ISDA Definitions apply, Successor Benchmark and Successor Benchmark Effective Date (as defined in the 2021 ISDA Definitions) will be as specified in the applicable Final Terms.

Subject to (G) above, the ISDA Definitions contain provisions for determining the applicable Floating Rate (as defined below) (including Supplement 70 to the 2006 ISDA Definitions and Section 9 of the 2021 ISDA Definitions (Bespoke Triggers and Fallbacks)) in the event that the specified Floating Date is not available and such provisions shall apply to Floating Rate Notes as if incorporated in these Conditions.

For the purposes of this sub-paragraph 4(c)(ii), "Floating Rate", "Calculation Agent", "Floating Rate Option", "Designated Maturity", "Reset Date", "Overnight Floating Rate Option", "Overnight Rate Compounding Method", "Compounding with Lookback", "Compounding with Observation Period Shift", "Compounding with Lockout", "Averaging with Lookback", "Averaging with Observation

Period Shift”, “Averaging with Lockout”, “Generic Fallback Provisions”, “Compounded Index Floating Rate Option”, “Index Method” and “Compounded Index Method with Observation Period Shift” have the meanings given to those terms in the ISDA Definitions and the term “ISDA Calculation Agent” has the meaning given to “Calculation Agent” in the ISDA Definitions.

Unless otherwise stated in the applicable Final Terms the Minimum Interest Rate shall be deemed to be zero.

(iii) CMS Rate for Floating Rate Notes

Where CMS Rate is specified in the applicable Final Terms as the manner in which the Interest Rate is to be determined, the Interest Rate for each Interest Accrual Period or Interest Period will be the CMS Reference Rate. For the purposes of this sub-paragraph (iii), the “**CMS Reference Rate**” for an Interest Accrual Period or Interest Period means the Relevant Swap Rate (expressed as a percentage rate per annum) which appears on the Relevant Screen Page as at the Relevant Time on the relevant Interest Determination Date, all as determined by the Calculation Agent.

Subject to the paragraph below (and unless otherwise specified in the applicable Final Terms):

- (A) if the Relevant Screen Page is not available, the Calculation Agent shall request each of the CMS Reference Banks to provide the Calculation Agent with its quotation for the Relevant Swap Rate (expressed as a percentage rate per annum) at approximately the Relevant Time on the Interest Determination Date in question. If two or more of the CMS Reference Banks provide the Calculation Agent such quotations, the CMS Reference Rate for such Interest Accrual Period or Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the quotations, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest) in the case of five quotations; and
- (B) If on any Interest Determination Date one only or none of the Reference Banks provides the Calculation Agent with such quotations as provided in the preceding paragraph, the CMS Reference Rate shall be determined by the Calculation Agent in its sole and absolute discretion on a commercial basis as it shall consider appropriate and in accordance with standard market practice.

Unless otherwise specified in the applicable Final Terms, if in the determination of the Calculation Agent a Benchmark Event (as defined below) or a USD Benchmark Transition Event (as defined below) has occurred (determined on the basis that the “Original Reference Rate” or the “USD Benchmark” means the floating rate the subject of the CMS Reference Rate), the Calculation Agent may make such adjustment(s) to the terms of the Notes as it determines appropriate in its sole and absolute discretion to account for the relevant event or circumstance and, without limitation, such adjustment(s) may include selecting a replacement (including any spread adjustment thereto) for the floating rate component of the Relevant Swap Rate (in which case references to such term herein will include references to such replacement from time to time) and making related adjustment(s), including without limitation with respect to any Relevant Swap Rate terms, to the terms of the Notes.

(iv) Floating Rate Spread Notes

- (A) Where Floating Rate Spread is specified in the applicable Final Terms as the manner in which the Interest Rate is to be determined, the Interest Rate for each Interest Accrual Period or Interest Period will be calculated in accordance with the following formula:

Floating Rate Spread Rate 1 minus Floating Rate Spread Rate 2.

- (B) Floating Rate Spread Rate 1 and Floating Rate Spread Rate 2 will each be determined in accordance with the provisions of this Condition 4(c) and, in each case, Screen Rate Determination, ISDA Determination or CMS Rate will apply if specified in the applicable Final Terms, provided that, for such purposes, each reference to “Interest Rate” within

Conditions 4(c)(i), 4(c)(ii) and 4(c)(iii) will be deemed to be a reference to “Floating Rate Spread Rate 1” or “Floating Rate Spread Rate 2”, as the case may be.

- (C) The applicable Final Terms will specify in respect of each Floating Rate Spread Rate the relevant terms for determining such Floating Rate Spread Rate, and may specify in respect of such Floating Rate Spread Rate, a Floating Rate Spread Rate Margin, a Floating Rate Spread Rate Multiplier, a Maximum Floating Rate Spread Rate or a Minimum Floating Rate Spread Rate.
- (D) If any Floating Rate Spread Rate Margin or Floating Rate Spread Rate Multiplier is specified in the applicable Final Terms in respect of a Floating Rate Spread Rate (either (x) generally, or (y) in relation to one or more Interest Accrual Periods or Interest Periods), an adjustment shall be made to such Floating Rate Spread Rate, in the case of (x), or to such Floating Rate Spread Rate for the specified Interest Accrual Periods or Interest Periods, in the case of (y), calculated by adding (if a positive number) or subtracting (if a negative number) the absolute value of the relevant Floating Rate Spread Rate Margin or multiplying by the relevant Floating Rate Spread Rate Multiplier to such Floating Rate Spread Rate, subject always to the next paragraph. If both a Floating Rate Spread Rate Margin and a Floating Rate Spread Rate Multiplier are specified to apply to a Floating Rate Spread Rate, the Floating Rate Spread Rate Multiplier will be applied first.

If any Maximum Floating Rate Spread Rate or Minimum Floating Rate Spread Rate is specified as being applicable in the applicable Final Terms, such relevant Floating Rate Spread Rate shall be subject to such maximum or minimum, as the case may be.

(d) Calculation of the Range Accrual Factor

This Condition 4(d) is applicable to Fixed Rate Notes or Floating Rate Notes to which Range Accrual is specified to be applicable in the applicable Final Terms (“**Range Accrual Notes**”). This Condition 4(d) is not applicable to Subordinated Notes.

The “**Range Accrual Factor**” means in respect of an Interest Period, an amount calculated by the Calculation Agent in accordance with the following formula:

$$\frac{N1}{N2}$$

For the purpose of this Condition 4(d):

“**Calculation Day**” means, in respect of each Interest Period, each calendar day falling within such Interest Period;

“**Cap**” means, in respect of a Relevant Rate for any relevant Interest Period, the per annum rate specified in the applicable Final Terms;

“**CMS**” means the swap transaction in the Specified Currency with a maturity of the Specified Maturity;

“**Common Valid Date**” means each day that is a Business Day in each Relevant Financial Centre;

“**€STR**” mean the daily euro short-term rate;

“**First Reference Rate**” means the Range Accrual Reference Rate specified in the applicable Final Terms and determined in accordance with these Conditions;

“**Floor**” means, in respect of a Relevant Rate for any relevant Interest Period, the per annum rate specified in the applicable Final Terms;

“**N1**” means, in respect of any relevant Interest Period, the number of Calculation Days during such Interest Period for which, in respect of a Single Range Accrual Note, the Relevant Rate, and, in respect of a Dual Range Accrual Note, each applicable Relevant Rate is (a) if specified in the applicable Final Terms that “greater than or equal to” shall apply, greater than or equal to the applicable Floor for that Interest Period (as determined by the Calculation Agent); or (b) if specified in the applicable Final Terms that “greater than” shall apply, greater than the applicable Floor (as determined by the Calculation Agent); and (x) if specified in the applicable Final Terms that “less than or equal to” shall apply, less than or equal to the applicable Cap for that Interest Period (as determined by the Calculation Agent); or (y) if specified in the applicable Final Terms that “less than” shall apply, less than the applicable Cap (as determined by the Calculation Agent);

“**N2**” means, in respect of each Interest Period, the number of Calculation Days during such Interest Period, as determined by the Calculation Agent;

“**Range Accrual Reference Rate**” means, subject to Condition 4(m), (i) EURIBOR, (ii) CMS, (iii) SONIA, (iv) SOFR, (v) SORA, or (vi) €STR, as specified in the applicable Final Terms;

“**Rate**” means, in respect of a Range Accrual Reference Rate specified in the applicable Final Terms, either:

- (i) the offered quotation (if there is only one quotation on the Relevant Screen Page); or
- (ii) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations (if there are two or more quotations on the Relevant Screen Page),

(in each case expressed as a percentage rate per annum) for the Range Accrual Reference Rate for the Specified Maturity and Specified Currency which appears or appear, as the case may be, on the Relevant Screen Page on which such Range Accrual Reference Rate is for the time being displayed at the Relevant Time in the Relevant Financial Centre on such Calculation Day. Subject to Condition 4(m) if such rate does not appear on the Relevant Screen Page at the Relevant Time in the Relevant Financial Centre on such Calculation Day, the Calculation Agent will in its sole and absolute discretion, determine such rate (or a method for determining such rate) for such Calculation Day, taking into consideration all available information and acting in good faith and in a commercially reasonable manner;

“**SOFR**” means the daily secured overnight financing rate;

“**SONIA**” means the daily sterling overnight index average;

“**SORA**” means the daily Singapore overnight rate average;

provided that: (i) in respect of a Single Range Accrual Note (as specified in the applicable Final Terms), (A) subject to proviso (B) below, if any Calculation Day is not a Business Day in the Relevant Financial Centre, the rate for such Calculation Day shall be determined in respect of the immediately preceding Relevant Business Day in the Relevant Financial Centre; and (B) in respect of each Interest Period, the Relevant Rate in respect of each Calculation Day from, and including, the fifth Business Day in the Relevant Financial Centre or such other Relevant Business Day (such date being the “**Rate Cut Off Date**” for such Interest Period) prior to the Interest Payment Date falling immediately after the end of such Interest Period to, and including, the last Calculation Day of such Interest Period, shall be deemed to be the rate in respect of the Rate Cut Off Date; and (ii) in respect of a Single Range Accrual (as specified in the applicable Final Terms) where CMS Spread is specified to be applicable in the Final Terms and in respect of a Dual Range Accrual Note (as specified in the applicable Final Terms), (A) subject to proviso (B) below, if any Calculation Day is not a Common Valid Date, the rate in respect of a Reference Rate for such Calculation Day shall be determined in respect of the immediately preceding Relevant Business Day in the Relevant Financial Centre for such Reference Rate; and (B) in respect of each Interest Period, the Relevant Rate in respect of each Calculation Day from, and

including, the seventh Common Valid Date or such other Common Valid Date specified in the applicable Final Terms (such date being the “**Rate Cut Off Date**” for such Interest Period) prior to the Interest Payment Date falling immediately after the end of such Interest Period to, and including, the last Calculation Day of such Interest Period, shall be deemed to be the rate for such Reference Rate in respect of the Rate Cut Off Date.

“**Relevant Rate**” means either:

- (i) where Single Range Accrual Note is specified to be applicable in the Final Terms either:
 - (A) the Rate as determined in accordance with these Conditions; or
 - (B) where CMS Spread is specified to be applicable in the Final Terms, the Rate in respect of the First Reference Rate minus the Rate in respect of the Second Reference Rate, as determined in accordance with these Conditions; or
- (ii) where Dual Range Accrual Note is specified to be applicable in the Final Terms, each Rate determined in accordance with these Conditions provided that where CMS Spread is specified to be applicable in the Final Terms, the Relevant Rate will be calculated as the Rate in respect of the First Reference Rate minus the Rate in respect of the Second Reference Rate, as determined in accordance with these Conditions;

“**Second Reference Rate**” means the Range Accrual Reference Rate so specified in the applicable Final Terms and determined in accordance with the Conditions; and

“**Specified Currency**” means the currency in which the Notes are denominated unless otherwise specified in the applicable Final Terms in relation to Range Accrual items thereof.

(e) *Interest Rate on Zero Coupon Notes*

Where a Note, the Interest Rate of which is specified to be Zero Coupon, is repayable prior to the Maturity Date and is not paid when due and payable, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Note. As from the Maturity Date, the Interest Rate for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield.

(f) *Margin, Maximum/Minimum Interest Rates, Instalment Amounts and Redemption Amounts, Rate Multipliers and Rounding*

(i) If any Margin or Rate Multiplier is specified in the applicable Final Terms (either (x) generally, or (y) in relation to one or more Interest Accrual Periods or Interest Periods), an adjustment shall be made to all Interest Rates, in the case of (x), or the Interest Rates for the specified Interest Accrual Periods or Interest Periods, in the case of (y), calculated in accordance with Condition 4(c) above by adding (if a positive number) or subtracting (if a negative number) the absolute value of such Margin or multiplying by such Rate Multiplier, subject always to the next paragraph. If both a Margin and a Rate Multiplier are specified to apply to an Interest Rate, the Rate Multiplier will be applied first.

(ii) If any Maximum Interest Rate or Minimum Interest Rate, Instalment Amount or Redemption Amount is specified in the applicable Final Terms, then any Interest Rate, Instalment Amount or Redemption Amount shall be subject to such maximum or minimum, as the case may be. Unless otherwise specified in the applicable Final Terms, the Minimum Interest Rate shall be zero.

(g) *Calculations*

The amount of interest payable per Calculation Amount in respect of any Note for any Interest Period or Interest Accrual Period or such other period shall be equal to the product of the Interest Rate (adjusted as required by Condition 4(f)), the Calculation Amount specified in the applicable Final Terms and the Day Count Fraction for such Interest Period or Interest Accrual Period or such other period (and subject to the application of the Range Accrual Factor, if applicable), unless an Interest Amount (or a formula for its calculation) is specified in respect of such Interest Period or Interest Accrual Period or other period, in which case the amount of interest

payable per Calculation Amount in respect of such Note for such period will equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Accrual Periods, as specified in the applicable Final Terms, the amount of interest payable per Calculation Amount in respect of such Interest Period will be the sum of the amounts of interest payable in respect of each of those Interest Accrual Periods, unless otherwise specified.

In respect of any other period for which interest is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be for the period for which interest is required to be calculated.

For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculations will be rounded, if necessary, to the nearest one hundred thousandth of a percentage point (with halves being rounded up), (y) all figures will be rounded to seven significant figures (with halves being rounded up) and (z) all currency amounts which fall due and payable will be rounded to the nearest sub-unit of such currency (with halves being rounded up), save in the case of yen, which shall be rounded down to the nearest yen.

For these purposes “**sub-unit**” means with respect to any currency other than the euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, means 0.01 euro.

(h) *Determination and Publication of Interest Rates, Interest Amounts, Redemption Amounts and Instalment Amounts*

The Calculation Agent shall, as soon as practicable after the Relevant Time on each Interest Determination Date or Reset Determination Date or such other time on such date as the Calculation Agent may be required to calculate any Interest Rate, Interest Amount, Redemption Amount or Instalment Amount, obtain any quote or make any determination or calculation, it will determine the Interest Rate and calculate the Interest Amount in respect of each Calculation Amount of the Notes for the relevant Interest Accrual Period or Interest Period (or if determining the First Reset Rate of Interest or a subsequent Reset Rate of Interest in respect of Fixed Rate Resetable Notes, the Interest Amount for each Interest Period or Interest Period falling within the relevant Reset Period), calculate the Redemption Amount or Instalment Amount, obtain such quote or make such determination or calculation, as the case may be, and cause the Interest Rate and the Interest Amounts for each Interest Accrual Period or Interest Period and the relevant Interest Payment Date and, if required to be calculated, the Redemption Amount or any Instalment Amount to be notified to the Fiscal Agent, the Issuer, each of the Paying Agents, the Noteholders, any other Calculation Agent appointed in respect of the Notes which is to make a further calculation upon receipt of such information and, if the Notes are listed on a stock exchange or other relevant authority and such exchange or other relevant authority so requires, such exchange or other relevant authority as soon as practicable after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of an Interest Rate and Interest Amount, or (ii) in all other cases, the fourth Relevant Business Day (or, in the case of Notes where SONIA, €STR, SORA or SOFR is the Benchmark, two London Banking Days) after such determination. 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 Period. If the Notes become due and payable under Condition 9, the accrued interest and the Interest Rate payable in respect of the Notes shall, save in the case of Notes where SOFR, €STR, SONIA or SORA is the Benchmark, nevertheless continue to be calculated in accordance with this Condition but no publication of the Interest Rate or the Interest Amount so calculated need be made. The determination of each Interest Rate, Interest Amount and Instalment Amount, the obtaining of each quote and the making of each determination or calculation by the Calculation Agent shall (in the absence of manifest error) be final and binding upon all parties.

(i) *Interest Accrual*

Interest will cease to accrue on each such Note (or in the case of (i) partial redemption of a Note, or (ii) a Bail-in Conversion, that part only of such Note) on the due date for redemption unless, upon due presentation, payment of principal is improperly withheld or refused, in which event interest will continue to accrue or in the case of Zero Coupon Notes, will accrue (in each case, as well after as before judgment) at the Interest Rate in the manner provided in this Condition 4 until whichever is the earlier of:

(i) the date on which all amounts due in respect of such Note have been paid and/or all assets deliverable in respect of such Note have been delivered; and

(ii) five days after the date on which full payment of the moneys payable in respect of such Note has been received by the Fiscal Agent.

(j) *Definitions*

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

“**Benchmark**” means the benchmark specified in the Final Terms.

“**Calculation Agent**” means The Bank of Nova Scotia or such other entity specified as the Calculation Agent in the applicable Final Terms.

“**CMS Reference Banks**” means (i) where the Reference Currency is euro, the principal office of five leading swap dealers in the Eurozone interbank market, (ii) where the Reference Currency is Sterling, the principal London office of five leading swap dealers in the London interbank market, (iii) where the Reference Currency is United States dollars (“**U.S. dollars**”), the principal New York City office of five leading swap dealers in the New York City interbank market, or (iv) in the case of any other Reference Currency, the principal Relevant Financial Centre office of five leading swap dealers in the Relevant Financial Centre interbank market, in each case as selected by the Calculation Agent.

“**Day Count Fraction**” means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last day) (whether or not constituting an Interest Period or Interest Accrual Period, the “**Calculation Period**”):

(i) If “**Actual/365**” or “**Actual/Actual**” is specified in the applicable Final Terms, the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);

(ii) if “**Actual/365 (Fixed)**” is specified in the applicable Final Terms, the actual number of days in the Calculation Period divided by 365;

(iii) if “**Actual/Actual — ICMA**” is specified in the applicable Final Terms;

(A) in the case of Notes where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the “**Accrual Period**”) is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; or

(B) in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:

(1) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; and

(2) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year.

“**Determination Period**” means the period from (and including) a Determination Date to but excluding the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date); and

- (iv) if “**Actual/360**” is specified in the applicable Final Terms, the actual number of days in the Calculation Period divided by 360;
- (v) if “**Actual/360 (Observation Period)**” is specified in the applicable Final Terms, the actual number of days in the Observation Period divided by 360;
- (v) if “**Actual/365 Sterling**” is specified in the Final Terms, the actual number of days in the Calculation Period divided by 365, or in the case of an Interest Payment Date falling in a leap year, 366;
- (vi) if “**30/360**” is so specified, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360x(Y_2 - Y_1)] + [30x(M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

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

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

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

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

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

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

- (vii) if “**30E/360**” or “**Eurobond Basis**” is so specified, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360x(Y_2 - Y_1)] + [30x(M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

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

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

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

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

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

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

“**Effective Date**” means, with respect to any Floating Rate to be determined on an Interest Determination Date, the date specified as such in the applicable Final Terms or, if none is so specified, the first day of the Interest Accrual Period to which such Interest Determination Date relates.

“**EURIBOR**” means Euro Interbank Offered Rate.

“**Floating Rate Spread Rate**” means each of Floating Rate Spread Rate 1 and Floating Rate Spread Rate 2 and, together the “**Floating Rate Spread Rates**”.

“**Floating Rate Spread Rate 1**” means the rate determined in accordance with these Conditions and in the manner specified in the applicable Final Terms.

“**Floating Rate Spread Rate 2**” means the rate determined in accordance with these Conditions and in the manner specified in the applicable Final Terms.

“**Floating Rate Spread Rate Margin**” means, (i) in respect of Floating Rate Spread Rate 1, Floating Rate Spread Margin 1 and in respect of Floating Rate Spread Rate 2, Floating Rate Spread Margin 2, in each case, as specified in the applicable Final Terms.

“**Floating Rate Spread Rate Multiplier**” means, (i) in respect of Floating Rate Spread Rate 1, Floating Rate Spread Multiplier 1 and in respect of Floating Rate Spread Rate 2, Floating Rate Spread Multiplier 2, in each case, as specified in the applicable Final Terms.

“**Interest Accrual Period**” means (i) the period beginning on, and including, the Interest Commencement Date and ending on, but excluding, the first Interest Period Date and each successive period beginning on, and including, an Interest Period Date and ending on, but excluding, the next succeeding Interest Period Date or (ii) such other period (if any) in respect of which interest is to be calculated being the period from (and including) the first day of such period to (but excluding) the day on which the relevant payment of interest falls due (which, in the case of the scheduled final or early redemption of any Notes, shall be such redemption date, and in other cases where the relevant Notes become due and payable in accordance with Condition 9, shall be the date on which such Notes become due and payable).

“**Interest Amount**” means the amount of interest payable per Calculation Amount calculated in accordance with Condition 4(g) or as specified in the applicable Final Terms and in the case of Fixed Rate Notes, if so specified in the applicable Final Terms, shall mean the Fixed Coupon Amount(s) or Broken Amount(s).

“**Interest Commencement Date**” means the date of issue of the Notes (the “**Issue Date**”) or such other date as may be specified in the applicable Final Terms.

“**Interest Determination Date**” means, with respect to an Interest Rate and Interest Period or Interest Accrual Period, the date specified as such in the applicable Final Terms or, if none is so specified, the day falling two T2 Settlement Days prior to the first day of such Interest Period or Interest Accrual Period if the Benchmark is EURIBOR.

“**Interest Payment Date**” means either the Interest Payment Dates specified in the applicable Final Terms or, if no Interest Payment Dates are specified in the applicable Final Terms, each date which falls the

number of months or other period specified in the applicable Final Terms as the Interest Period after the preceding Interest Payment Date, or in the case of the first Interest Payment Date, after the Interest Commencement Date, subject to adjustment in accordance with the applicable Business Day Convention.

“**Interest Period**” means the period beginning on, and including, the Interest Commencement Date and ending on, but excluding, the first Interest Payment Date and each successive period beginning on, and including, an Interest Payment Date and ending on, but excluding, the next succeeding Interest Payment Date.

“**Interest Period Date**” means each Interest Payment Date unless otherwise specified in the applicable Final Terms.

“**Interest Rate**” or “**Rate of Interest**” means the rate of interest payable from time to time in respect of the Notes of a Series and which is either specified in or calculated in accordance with the provisions of the applicable Final Terms and in accordance with these Conditions.

“**Maximum Floating Rate Spread Rate**” means, (i) in respect of Floating Rate Spread Rate 1, Maximum Floating Rate Spread 1 and in respect of Floating Rate Spread Rate 2, Maximum Floating Rate Spread 2, in each case, as specified in the applicable Final Terms.

“**Minimum Floating Rate Spread Rate**” means, (i) in respect of Floating Rate Spread Rate 1, Minimum Floating Rate Spread 1 and in respect of Floating Rate Spread Rate 2, Minimum Floating Rate Spread 2, in each case, as specified in the applicable Final Terms.

“**Redemption Amount**” means the Final Redemption Amount, the Optional Redemption Amount or the Early Redemption Amount, as the case may be, specified in the applicable Final Terms.

“**Reference Banks**” means the institutions specified as such in the applicable Final Terms or, if none, four major banks selected by the Calculation Agent in the interbank market (or, if appropriate, money market) which is most closely connected with the Benchmark.

“**Reference Currency**” means the Currency specified in the applicable Final Terms.

“**Relevant Business Day**” means:

(i) in the case of a Specified Currency other than euro, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre for that currency and/or each Business Centre (if any) specified in the applicable Final Terms and, if T2 is specified in the applicable Final Terms as a Business Centre, a T2 Settlement Day; and/or

(ii) in the case of euro, a T2 Settlement Day and a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in each Business Centre (if any) specified in the applicable Final Terms.

“**Relevant Currency**” means the Currency specified in the applicable Final Terms or, if none is specified, the currency in which the Notes are denominated.

“**Relevant Financial Centre**” means, with respect to any Floating Rate or CMS Rate to be determined on an Interest Determination Date, the financial centre as may be specified as such in the applicable Final Terms or, if none is so specified, the financial centre with which the relevant Benchmark or CMS Rate is most closely connected (which in the case of EURIBOR shall be the Eurozone) or, if none is so connected, London.

“**Relevant Rate**” means the Benchmark for a Representative Amount of the Relevant Currency for a period (if applicable or appropriate to the Benchmark) equal to the Specified Duration commencing on the Effective Date.

“**Relevant Screen Page**” means such page, section, caption, column or other part of a particular information service (including, but not limited to, the Reuters Money 3000 Service (“**Reuters**”) as may be specified for the purpose of providing a Relevant Rate or CMS Reference Rate, as the case may be, or such other page, section, caption, column or other part as may replace it on that information service or on such other information service, in each case as may be nominated by the person or organization providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to that Relevant Rate or CMS Reference Rate, as the case may be.

“**Relevant Swap Rate**” means the mid-market Specified Frequency swap rate determined on the basis of the arithmetic mean of the bid and offered rates for the Specified Fixed Leg, calculated on a Fixed Leg Day Count Basis, of a fixed-for-floating interest rate swap transaction in the Reference Currency with a term equal to the CMS Maturity commencing on the first day of the relevant Interest Accrual Period or Interest Period and in a Representative Amount with an acknowledged dealer of good credit in the swap market, where the floating leg, in each case calculated on the Floating Leg Day Count Basis, is equivalent to the ISDA Rate with a designated maturity equivalent to the ISDA Rate Designated Maturity specified in the applicable Final Terms, all as determined by the Calculation Agent by reference to standard market practice and/or the ISDA Definitions (where ISDA Definitions has the meaning specified under Condition 4(c)(ii)).

“**Relevant Time**” means, with respect to any Interest Determination Date, the local time in the Relevant Financial Centre specified in the applicable Final Terms or, if none is specified, the local time in the Relevant Financial Centre at which it is customary to determine bid and offered rates in respect of deposits in the Relevant Currency in the interbank market in the Relevant Financial Centre and, where the Primary Source for the Floating Rate is a Relevant Screen Page, the time as of which the Relevant Rate(s) appearing on such Relevant Screen Page is or are set and posted on such Relevant Screen Page and for this purpose “**local time**” means, with respect to Europe and the Eurozone as a Relevant Financial Centre, Central European Time, or where CMS Rate is specified in the applicable Final Terms as the manner in which the Interest Rate is to be determined, has the meaning specified in the Final Terms.

“**Representative Amount**” means, with respect to any Floating Rate or CMS Reference Rate to be determined on an Interest Determination Date, the amount specified in the applicable Final Terms or, if none is specified, an amount that is representative for a single transaction in the relevant market at the time.

“**SOFR**” means Secured Overnight Financing Rate.

“**Specified Duration**” means, with respect to any Floating Rate to be determined on an Interest Determination Date, the duration specified in the applicable Final Terms or, if none is specified, a period of time equal to the relative Interest Accrual Period, ignoring any adjustment pursuant to Condition 4(c).

“**Specified Frequency**” has the meaning given to it in the applicable Final Terms.

“**T2**” means the real time gross settlement system operated by the Eurosystem, or any successor system.

“**T2 Settlement Day**” means any day on which T2 is open for the settlement of payments in euro.

(k) *Calculation Agent*

The Issuer will procure that there shall at all times be one or more Calculation Agents if provision is made for them in the Conditions applicable to the Notes and for so long as any Notes are outstanding. Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Interest Rate for any Interest Period or Interest Accrual Period or to calculate the Interest Amounts or any other requirements, the Issuer will appoint the London office of a leading bank engaged in the interbank market that is most closely connected with the calculation or determination to be made by the Calculation Agent to act as calculation agent in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

(l) *Synthetic Currency Notes*

Any amounts of interest payable on Synthetic Currency Notes are subject to the provisions outlined in Annex 7.

(m) Benchmark Discontinuation – Independent Adviser

Unless otherwise specified in the applicable Final Terms, this Condition 4(m) applies to all Notes with an Original Reference Rate (or a component thereof) used to calculate an Interest Rate (other than SOFR where Condition 4(n) is specified to be applicable), but in the case of €STR only if Condition 4(c)(i)(F) does not determine the Rate of Interest.

For greater certainty, this Condition 4(m) also applies to Condition 4(c)(ii) to the extent that the ISDA Definitions do not provide for a successor rate or any successor rate also requires Benchmark Amendments or, in the case where the 2021 ISDA Definitions apply, where Section 8.6 (Generic Fallback Provisions) of the 2021 ISDA Definitions would otherwise apply.

(i) Independent Adviser

If the Issuer determines a Benchmark Event has occurred in relation to an Original Reference Rate when any Interest Rate (or any component part thereof) remains to be determined by reference to such Original Reference Rate, then the Issuer shall use its reasonable endeavours to appoint and consult with an Independent Adviser, as soon as reasonably practicable, with a view to the Issuer determining a Successor Rate, failing which an Alternative Rate (in accordance with Condition 4(m)(ii)) and, in either case, an Adjustment Spread if any (in accordance with Condition 4(m)(iii)) and any Benchmark Amendments (in accordance with Condition 4(m)(iv)).

An Independent Adviser appointed pursuant to this Condition 4(m) shall act in good faith and (in the absence of bad faith or fraud) shall have no liability whatsoever to the Issuer, the Fiscal Agent, the Paying Agents, the Calculation Agent, the Noteholders or the Couponholders for any determination made by it or for any advice given to the Issuer in connection with any determination made by the Issuer, pursuant to this Condition 4(m).

In making any determination pursuant to this Condition 4(m), the Issuer shall act in good faith and in a commercially reasonable manner and, in the absence of bad faith or fraud, the Issuer shall have no liability whatsoever to the Calculation Agent, the Fiscal Agent or the Noteholders or the Couponholders for any such determination made by it.

If the Issuer is unable to appoint an Independent Adviser or unable to make the determination set out in Condition 4(m) (i), (ii), (iii) and (iv) in consultation with an Independent Adviser, the Issuer, acting in good faith and in a commercially reasonable manner, may make such determinations itself in accordance with the provisions of this Condition 4(m) and taking into account any relevant and applicable market precedents as well as any published guidance from relevant associations involved in the establishment of market standards and/or protocols in the international debt capital markets, and subject always to any Minimum Interest Rate and/or Maximum Interest Rate specified in the applicable Final Terms.

(ii) Successor Rate or Alternative Rate

If the Issuer, following consultation with the Independent Adviser (if any) and acting in good faith, determines that:

- (A) there is a Successor Rate, then such Successor Rate shall (subject to adjustment as provided in Condition 4(m)(iii)) subsequently be used in place of the Original Reference Rate to determine the Interest Rate (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the further operation of this Condition 4(m)); or
- (B) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate shall (subject to adjustment as provided in Condition 4(m)(iii)) subsequently be used in place of the Original Reference Rate to determine the Interest Rate (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the further operation of this Condition 4(m)).

(iii) Adjustment Spread

If the Issuer, following consultation with the Independent Adviser (if any) and acting in good faith, determines (i) that an Adjustment Spread is required to be applied to the Successor Rate or the Alternative Rate (as the case may be) and (ii) the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread shall be applied to the Successor Rate or the Alternative Rate (as the case may be). If the Issuer is unable to determine the quantum of, or a formula or methodology for determining, such Adjustment Spread, then the relevant Successor Rate or Alternative Rate (as applicable) will apply without an Adjustment Spread.

(iv) Benchmark Amendments

If any Successor Rate or Alternative Rate and, in either case, the applicable Adjustment Spread is determined in accordance with this Condition 4(m) and the Issuer, following consultation with the Independent Adviser (if any) and acting in good faith, determines (i) that amendments to these Conditions and/or the Agency Agreement are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and/or (in either case) the applicable Adjustment Spread (such amendments, the “**Benchmark Amendments**”) and (ii) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 4(m)(v), vary these Conditions and/or the Agency Agreement to give effect to such Benchmark Amendments with effect from the date specified in such notice.

No consent of Noteholders shall be required in connection with effecting the relevant Successor Rate or Alternative Rate (as may be applicable), Adjustment Spread and/or any Benchmark Amendments, or varying these Conditions and/or the Agency Agreement to give effect to such changes pursuant to this Condition 4(m), including the execution of any documents or the taking of any steps by the Issuer or any parties to any relevant documents (if required).

In connection with any such variation in accordance with this Condition 4(m)(iv), the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

(v) Notices, etc.

The occurrence of a Benchmark Event, any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 4(m) will be notified promptly by the Issuer to the Fiscal Agent and the Calculation Agent and, in accordance with Condition 14, the Noteholders. Such notice shall be irrevocable and shall specify the effective date(s) for such Successor Rate or Alternative Rate (as applicable), the Adjustment Spread (if any) and for the Benchmark Amendments, if any.

No later than one Business Day following the date of notifying the Fiscal Agent of the same, the Issuer shall deliver to the Fiscal Agent a certificate signed by two authorised signatories of the Issuer:

- (A) confirming (i) that a Benchmark Event has occurred, (ii) the Successor Rate or, as the case may be, the Alternative Rate and, (iii) where applicable, any Adjustment Spread and/or the specific terms of any Benchmark Amendments, in each case as determined in accordance with the provisions of this Condition 4(m); and
- (B) certifying that the Benchmark Amendments are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and (in either case) the applicable Adjustment Spread.

The Fiscal Agent shall display such certificate at its offices for inspection by the Noteholders at all reasonable times during normal business hours.

The Successor Rate or Alternative Rate and the Adjustment Spread (if any) and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error or bad faith in the determination of the Successor Rate or Alternative Rate and the Adjustment Spread (if any) and the Benchmark Amendments (if any)) be binding on the Issuer, the Fiscal Agent, the Calculation Agent, the Paying Agents and the Noteholders.

(vi) Survival of Original Reference Rate

Without prejudice to the obligations of the Issuer under Condition 4(m) (i), (ii), (iii) and (iv), the Original Reference Rate and the fallback provisions provided for in Condition 4(c) will continue to apply unless and until the Calculation Agent has been notified of the Successor Rate or the Alternative Rate (as the case may be), and any Adjustment Spread (if applicable) and Benchmark Amendments, in accordance with Condition 4(m)(v). For the avoidance of doubt, this subparagraph 4(m)(vi) shall apply to the determination of the Interest Rate on the relevant Interest Determination Date or Reset Determination only, and the Interest Rate applicable to any subsequent Interest Period(s) or Reset Period(s) is subject to the operation of, and to adjustment as provided in, this Condition 4(m).

(vii) Definitions

As used in this Condition 4(m):

“Adjustment Spread” means either a spread (which may be positive or negative or zero), or the formula or methodology for calculating a spread, in either case, to be applied to the Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:

- (A) in the case of a Successor Rate, is formally recommended, or formally provided as an option for parties to adopt, in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body;
- (B) if no such formal recommendation has been made in relation to replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body and, in all cases, in the case of an Alternative Rate, the Issuer, following consultation with the Independent Adviser (if any) and acting in good faith, determines is customarily applied to the relevant Successor Rate or Alternative Rate (as the case may be) in international debt capital markets transactions to provide an industry-accepted replacement rate for the Original Reference Rate;
- (C) if the Issuer determines, following consultation with the Independent Adviser (if any) and acting in good faith, that no such spread is customarily applied in international debt capital markets under (B) above, the Issuer determines, following consultation with the Independent Adviser (if any) and acting in good faith, is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be); or
- (D) if the Issuer determines that no industry standard is recognised or acknowledged as aforesaid and, consequently, no such spread, formula or methodology can be determined in accordance with sub-clauses (A) to (C) above, the Issuer, in its discretion, following consultation with the Independent Adviser and acting in good faith and in a commercially reasonable manner, determines to be appropriate, having regard to the objective, so far as is reasonably practicable in the circumstances and solely for the purposes of this sub-clause (D) only, of reducing or eliminating any economic prejudice or benefit (as the case may be) to the Noteholders.

“Alternative Rate” means an alternative to the Relevant Rate which the Issuer determines in accordance with Condition 4(m)(ii) as customarily applied in international debt capital markets transactions for the purposes of determining rates of interest (or the relevant component part thereof) for the same interest period and in the same Specified Currency as the Notes.

“Benchmark Amendments” has the meaning given to it in Condition 4(m)(iv).

“Benchmark Event” means:

- (A) the Original Reference Rate ceasing to be published for a period of at least five Business Days or ceasing to exist; or

- (B) a public statement by the administrator of the Original Reference Rate that it has ceased or it will cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate); or
- (C) a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been or will be permanently or indefinitely discontinued; or
- (D) a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate will be prohibited from being used either generally or in respect of the Notes, or that it will be subject to restrictions or adverse consequences; or
- (E) an official announcement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate is or will be (or is deemed by such supervisor to be) no longer representative of its underlying relevant markets; or
- (F) it has become unlawful for any Paying Agent, the Calculation Agent or the Issuer to calculate any payments due to be made to any Noteholder using the Original Reference Rate (including, without limitation, under the EU Benchmarks Regulation including as it forms part of UK domestic law by virtue of the EUWA, as applicable),

provided that the Benchmark Event shall be deemed to occur (a), in the case of paragraphs (B) and (C) above, on the date of the cessation of the Original Reference Rate or the discontinuation of the Original Reference Rate or, (b) in the case of (D) above, on the date of prohibition of use of the Original Reference Rate and (c) in the case of paragraph (E) above, on the date with effect from which the Original Reference Rate will no longer be (or will be deemed by the relevant supervisor to no longer be) representative of its relevant underlying market and which is specified in the public statement and, in each case, not the date of the relevant public statement.

“**Independent Adviser**” means an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by the Issuer under Condition 4(m)(i).

“**Original Reference Rate**” means either (i) the Relevant Rate, CMS Rate or Range Accrual Reference Rate originally specified for the purposes of determining the Interest Rate (or any component part(s) thereof) on the Notes, or (ii) any Successor Rate or Alternative Rate which replaces the Original Reference Rate pursuant to the operation of this Condition 4(m).

“**Relevant Nominating Body**” means, in respect of a Relevant Rate:

- (A) the central bank, reserve bank, monetary authority or similar institution for the currency to which the Relevant Rate relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the Relevant Rate; or
- (B) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (w) the central bank, reserve bank, monetary authority or similar institution for the currency to which the Relevant Rate relates, (x) any central bank or similar institution or other supervisory authority which is responsible for supervising the administrator of the Relevant Rate, (y) a group of the aforementioned central banks or other supervisory authorities or (z) the Financial Stability Board or any part thereof.

“**Successor Rate**” means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body.

(n) *Benchmark Discontinuation – ARRC Fallback*

This Condition 4(n) applies to all Floating Rate Notes where the Reference Rate used to calculate the Rate of Interest (or any component thereof) is SOFR (and for the avoidance of doubt any subsequent USD Benchmark determined as a result of a Benchmark Replacement determination) and Condition 4(n) is specified to be applicable in the applicable Final Terms:

(i) **Benchmark Replacement**

If the Issuer or its designee determines that a USD Benchmark Transition Event and its related USD Benchmark Replacement Date have occurred prior to the Reference Time in respect of any determination of the then-current USD Benchmark on any date, the Benchmark Replacement will replace the then-current USD Benchmark for all purposes relating to the Notes in respect of such determination on such date and all determinations on all subsequent dates.

(ii) **Benchmark Replacement Conforming Changes**

In connection with the implementation of a Benchmark Replacement, the Issuer or its designee will have the right to make Benchmark Replacement Conforming Changes from time to time.

(iii) **Decisions and Determinations**

Any determination, decision or election that may be made by the Issuer or its designee pursuant to this Condition 4(n), including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection:

- (A) will be conclusive and binding absent manifest error;
- (B) if made by the Issuer, will be made in the Issuer's sole discretion;
- (C) if made by the Issuer's designee, will be made after consultation with the Issuer, and the designee will not make any such determination, decision or election to which the Issuer objects; and
- (D) shall become effective without consent, sanction or absence of objection from the Noteholders.

Any determination, decision or election pursuant to the benchmark replacement provisions not made by the Issuer's designee will be made by the Issuer on the basis as described above. The designee shall have no liability for not making any such determination, decision or election absent bad faith or fraud.

(iv) **Other Conditions**

- (A) Any USD Benchmark Transition Event, Benchmark Replacement, Benchmark Replacement Adjustment and the specific terms of any Benchmark Replacement Conforming Changes, determined under this Condition 4(n) will be notified promptly by the Issuer to the Calculation Agent, the Fiscal Agent, the Paying Agents and, in accordance with Condition 14, the Noteholders. Such notice shall be irrevocable and shall specify the effective date on which such changes take effect.
- (B) No later than providing the notice to the Calculation Agent, the Fiscal Agent, the Paying Agents pursuant to Condition 4(n)(iv), the Issuer shall deliver to the Fiscal Agent a certificate of the Issuer ("**USD Benchmark Transition Event Certificate**") confirming (x) that a USD Benchmark Transition Event and its related USD Benchmark Replacement Date have occurred specifying the Benchmark Replacement, (y) the relevant Benchmark Replacement, and (z) where applicable, any Benchmark Replacement Adjustment and/or the specific terms of any relevant Benchmark Replacement Conforming Changes, in each case as determined in accordance with the provisions of this Condition 4(n).

The Fiscal Agent shall display such certificate at its offices for inspection by the Noteholders at all reasonable times during normal business hours. The Benchmark Replacement and the Benchmark Replacement Adjustment (if any) and the Benchmark Replacement Conforming Changes (if any) specified in such certificate will (in the absence of manifest error or bad faith in the determination of the Benchmark Replacement and the Benchmark Replacement Adjustment (if any) and the

Benchmark Replacement Conforming Changes (if any)) be binding on the Issuer, the Principal Paying Agent, the Calculation Agent, the Paying Agents and the Noteholders.

(v) **Definitions**

For the purposes of this Condition 4(n):

“**Benchmark Replacement**” means: the first alternative set forth in the order below that can be determined by the Issuer or its designee as of the USD Benchmark Replacement Date:

- (1) the sum of: (x) an alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current USD Benchmark for the applicable Corresponding Tenor and (y) the Benchmark Replacement Adjustment;
- (2) the sum of: (x) the ISDA Fallback Rate and (y) the Benchmark Replacement Adjustment; or
- (3) the sum of: (x) the alternate rate of interest that has been selected by the Issuer or its designee as the replacement for the then-current USD Benchmark for the applicable Corresponding Tenor giving due consideration to any industry-accepted rate of interest as a replacement for the then-current USD Benchmark for U.S. dollar denominated floating rate covered bonds or notes at such time calculated by reference to the then-current USD Benchmark, at such time and (y) the Benchmark Replacement Adjustment.

“**Benchmark Replacement Adjustment**” means the first alternative set forth in the order below that can be determined by the Issuer or its designee as of the USD Benchmark Replacement Date:

- (A) the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement;
- (B) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, the ISDA Fallback Adjustment; or
- (C) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Issuer giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current USD Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated floating rate notes at such time;

“**Benchmark Replacement Conforming Changes**” means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of “Interest Period”, determination dates, timing and frequency of determining rates and making payments, rounding of amounts or tenors, and other administrative matters) that the Issuer or its designee decides may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Issuer or its designee decides that adoption of any portion of such market practice is not administratively feasible or if the Issuer or its designee determines that no market practice for use of the Benchmark Replacement exists, in such other manner as the Issuer or its designee determines is reasonably necessary);

“**Compounded SOFR**” means the compounded average of daily SOFRs for the applicable Corresponding Tenor, with the rate, or methodology for this rate, and conventions for this rate (which, for example, may be compounded in arrears with a lookback and/or suspension and/or backward shifted observation period as a mechanism to determine the amount of interest payable prior to the end of each Interest Period) being established by the Issuer or its designee in accordance with: (A) the rate, or methodology for this rate, and conventions for this rate selected or recommended by the Relevant Governmental Body for determining compounded SOFR; provided that, (B) if, and to the extent that, the Issuer or its designee determines that Compounded SOFR cannot be determined in accordance with (A) then the rate, or methodology for this rate, and conventions for this rate that have been selected by the Issuer or its designee giving due consideration to any industry-accepted market practice for similar floating rate covered bonds or notes denominated in U.S. dollars at such time;

“Corresponding Tenor” with respect to a Benchmark Replacement means a tenor (including overnight) having approximately the same length (disregarding business day adjustment) as the applicable tenor for the then-current USD Benchmark;

“designee” means an affiliate or other agent of the Issuer designated by the Issuer;

“Federal Reserve Bank of New York’s Website” means the website of the Federal Reserve Bank of New York at <http://www.newyorkfed.org>, or any successor source (for the avoidance of doubt, this website (and/or any successor source) and the contents thereof do not form part of this Prospectus);

“Interpolated Benchmark” with respect to the USD Benchmark means the rate determined for the Corresponding Tenor by interpolating on a linear basis between: (A) the USD Benchmark for the longest period (for which the USD Benchmark is available) that is shorter than the Corresponding Tenor and (B) the USD Benchmark for the shortest period (for which the USD Benchmark is available) that is longer than the Corresponding Tenor;

“ISDA Fallback Adjustment” means the spread adjustment (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the Relevant ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the USD Benchmark for the applicable tenor;

“ISDA Fallback Rate” means the rate that would apply for derivatives transactions referencing the Relevant ISDA Definitions to be effective upon the occurrence of an index cessation date with respect to the USD Benchmark for the applicable tenor excluding the applicable ISDA Fallback Adjustment;

“Reference Time” with respect to any determination of the USD Benchmark means:

- (A) where the USD Benchmark is Compounded SOFR, 3:00 p.m. (New York City time) on the U.S. Government Securities Business Day the relevant rate is in respect of; or
- (B) otherwise, the time determined by the Issuer or its designee after giving effect to the modifications noted in Condition 4(n);

“Relevant Governmental Body” means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto;

“Relevant ISDA Definitions” means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time;

“SOFR” with respect to any day means the secured overnight financing rate published for such day by or on behalf of the Federal Reserve Bank of New York, as the administrator of such rate (or any successor administrator of such rate) on the Federal Reserve Bank of New York’s Website;

“Term SOFR” means the forward-looking term rate for the applicable Corresponding Tenor based on SOFR (as defined in Condition 4(d)(i)(E) that has been selected or recommended by the Relevant Governmental Body;

“Unadjusted Benchmark Replacement” means the Benchmark Replacement excluding the Benchmark Replacement Adjustment;

“USD Benchmark” means, initially, Compounded SOFR; provided that if a USD Benchmark Transition Event and its related USD Benchmark Replacement Date have occurred with respect to Compounded SOFR, as applicable, or the then-current USD Benchmark, then “USD Benchmark” means the applicable Benchmark Replacement;

“USD Benchmark Replacement Date” means the earliest to occur of the following events with respect to the then-current Benchmark (including the daily published component used in the calculation thereof):

- (A) in the case of clause (A) or (B) of the definition of “USD Benchmark Transition Event”, the later of (x) the date of the public statement or publication of information referenced therein and (y) the date on which an administrator (who initially is the Federal Reserve Bank of New York in respect of Compounded SOFR) of the USD Benchmark permanently or indefinitely ceases to provide the USD Benchmark; or
- (B) in the case of clause (C) of the definition of “USD Benchmark Transition Event”, the date of the public statement or publication of information referenced therein.

For the avoidance of doubt, if the event that gives rise to the USD Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the USD Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination; and

“**USD Benchmark Transition Event**” means the occurrence of one or more of the following events with respect to the then-current Benchmark (including, in the case of Compounded SOFR, the daily published component used in the calculation thereof):

- (A) a public statement or publication of information by or on behalf of the administrator of the USD Benchmark (or such component) announcing that such administrator has ceased or will cease to provide the USD Benchmark (or such component), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the USD Benchmark (or such component); or
- (B) a public statement or publication of information by the regulatory supervisor for the administrator of the USD Benchmark (or such component), the central bank for the currency of the USD Benchmark (or such component), an insolvency official with jurisdiction over the administrator for the USD Benchmark (or such component), a resolution authority with jurisdiction over the administrator for the USD Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for the USD Benchmark (or such component), which states that the administrator of the USD Benchmark (or such component) has ceased or will cease to provide the USD Benchmark (or such component) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the USD Benchmark (or such component); or
- (C) a public statement or publication of information by the regulatory supervisor for the administrator of the USD Benchmark announcing that the USD Benchmark is no longer, or as of a specified future date will no longer be representative.

(vi) Conflict

To the extent that there is any inconsistency between the conditions set out in Condition 4(n) and any other Condition (and unless otherwise specified in the applicable Final Terms, or where Condition 4(m) or Condition 4(o) are specified as being applicable in the applicable Final Terms), the statements in this Condition 4(n) shall prevail with respect to any U.S. dollar denominated Floating Rate Notes calculated by reference to a USD Benchmark.

(vii) Future Benchmark Replacement

For the avoidance of doubt, the Issuer or its designee may give effect to a USD Benchmark Transition Event on more than one occasion provided that the conditions set out in this Condition 4(n) are satisfied.

(viii) Survival of the USD Benchmark

Without prejudice to the obligations of the Issuer under this Condition 4(n), the Reference Rate in respect of a USD Benchmark and the fallback provisions provided for in Condition 4(c) will continue to apply unless and until the Fiscal Agent has received the USD Benchmark Transition Event Certificate in accordance with this Condition 4(n). For the avoidance of doubt, this Condition 4(n) shall apply to the determination of the Interest

Rate on the relevant Interest Determination Date, and the Rate of Interest applicable to any subsequent Interest Period(s) is subject to the operation of, and to adjustment as provided in, this Condition 4(n).

(o) *Benchmark Discontinuation – ISDA Determination Fallback*

Where so specified as being applicable in the applicable Final Terms, this Condition 4(o) applies to the applicable Notes with an Original Reference Rate (or a component thereof) used to calculate an Interest Rate:

(i) if a Benchmark Event or a USD Benchmark Transition Event has occurred;

(ii) or if so specified as being applicable for Notes with Screen Rate Determination pursuant to Condition 4(c)(i) in the circumstances set out therein,

then the Calculation Agent will determine the relevant Floating Rate for the relevant Interest Determination Date in accordance with Condition 4(c)(ii) (ISDA Determination) on the basis of the Floating Rate Option, Designated Maturity and Reset Date specified in the applicable Final Terms; and the Rate of Interest for such Interest Period shall be the sum of the Margin and the rate or (as the case may be) the arithmetic mean so determined; provided, however, that if the Calculation Agent is unable to determine a rate or (as the case may be) an arithmetic mean in accordance with the above provisions in relation to any Interest Period, the Rate of Interest applicable to the Notes during such Interest Period will be the sum of the Margin and the rate or (as the case may be) the arithmetic mean last determined in relation to the Notes in respect of a preceding Interest Period.

(p) *Linear Interpolation*

Where Linear Interpolation is specified as applicable in respect of an Interest Accrual Period in the applicable Final Terms, the Rate of Interest for such Interest Accrual Period shall be calculated by the Calculation Agent by straight line linear interpolation by reference to two rates based on the relevant Reference Rate (where Screen Rate Determination is specified as applicable) or the relevant Floating Rate Option (where ISDA Determination is specified as applicable), one of which shall be determined as if the Designated Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Accrual Period and the other of which shall be determined as if the Designated Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Accrual Period provided however that if there is no rate available for a period of time next shorter or, as the case may be, next longer, then the Calculation Agent shall determine such rate at such time and by reference to such sources as it determines appropriate.

“**Designated Maturity**” means, in relation to Screen Rate Determination, the period of time designated in the Reference Rate.

5. *Redemption, Purchase and Optional Redemption*

(a) *Final Redemption*

Unless previously redeemed, purchased and cancelled as provided below or its maturity is extended pursuant to the Issuer’s or Noteholder’s option in accordance with Condition 5(h) or (i), each Note (unless it is a Credit Linked Note and a Credit Event has occurred) will be redeemed at its Final Redemption Amount specified in, or determined in the manner specified in, the applicable Final Terms in the relevant Specified Currency on the Maturity Date or if the Notes are specified as Physical Delivery notes in the applicable Final Terms, by delivery of the Entitlement (subject as provided in Annex 6 – *Additional Terms and Conditions for Physical Delivery Notes*) specified in or determined in the manner specified in the applicable Final Terms on the Maturity Date specified on each Note.

(b) *Redemption for taxation reasons*

The Notes may be redeemed at the option of the Issuer in whole, but not in part, on any Interest Payment Date (if the Note is a Floating Rate Note, an Index Linked Interest Note, an Equity Linked Interest Note, a Commodity Linked Interest Note, a Fund Linked Interest Note or a Synthetic Currency Note) or, if so specified herein, at any time (if the Note is not a Floating Rate Note, an Index Linked Interest Note, an Equity Linked Interest Note, a Commodity Linked Interest Note, a Fund Linked Interest Note or a Synthetic Currency Note), on giving not less than 30 days’ nor more than 60 days’ notice to the Noteholders (which notice shall be irrevocable),

at their Early Redemption Amount, (together with interest accrued to (but excluding) the date fixed for redemption), if (A) (i) the Issuer has or would become obliged to pay additional amounts as provided or referred to in Condition 7 as a result of any change in, or amendment to, the laws or regulations of Canada or any province or territory thereof or, in the case of Notes issued by a branch of the Issuer outside Canada, of the country in which such branch is located or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, or any announced prospective change to the *Income Tax Act* (Canada) or the regulations thereunder or in the application or official interpretation thereof that, if enacted in the form proposed, would apply retroactively to and from a date prior to the date of its enactment (an “**Announced Prospective Change**”) which change (including any Announced Prospective Change) or amendment becomes (or in the case of an Announced Prospective Change, would become) effective on or after the Issue Date, and (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due or (B) in the case of Subordinated Notes only, following the occurrence of a Tax Event, and provided further that in respect of Subordinated Notes or, in the case of Bail-inable Notes where the redemption would lead to a breach of the Issuer’s minimum total loss absorbing capacity (“**TLAC**”) requirements, such redemption will be subject to the prior approval of the Superintendent of Financial Institutions (Canada) (the “**Superintendent**”).

Prior to the publication of any notice of redemption pursuant to (A) above, the Issuer shall deliver to the Fiscal Agent a certificate signed by two senior officers of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal advisers of recognized standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment.

For the purposes of this Condition 5(b), “Tax Event” means the Issuer has received an opinion of independent counsel of nationally recognised standing experienced in such matters to the effect that, as a result of, (i) any amendment to, clarification of, or change (including any announced prospective change) in, the laws, or any regulations thereunder, or any application or interpretation thereof, of Canada, or any political subdivision or taxing authority thereof or therein or, in the case of Notes issued by a branch of the Issuer outside Canada, of the country in which such branch is located or of any political subdivision thereof or any authority or agency therein or thereof having power to tax, affecting taxation; (ii) any judicial decision, administrative pronouncement, published or private ruling, regulatory procedure, rule, notice, announcement, assessment or reassessment (including any notice or announcement of intent to adopt or issue such decision, pronouncement, ruling, procedure, rule, notice, announcement, assessment or reassessment) (collectively, an “**administrative action**”); or (iii) any amendment to, clarification of, or change (including any announced prospective change) in, the official position with respect to or the interpretation of any administrative action or any interpretation or pronouncement that provides for a position with respect to such administrative action that differs from the theretofore generally accepted position, in each of cases (i) to (iii), by any legislative body, court, governmental authority or agency, regulatory body or taxing authority, irrespective of the manner in which such amendment, clarification, change, administrative action, interpretation or pronouncement is made known, which amendment, clarification, change or administrative action is effective or which interpretation, pronouncement or administrative action is announced on or after the Issue Date of the Subordinated Notes, there is more than an insubstantial risk (assuming any proposed or announced amendment, clarification, change, interpretation, pronouncement or administrative action is effective and applicable) that the Issuer is, or may be, subject to more than a de minimis amount of additional taxes, duties or other governmental charges or civil liabilities because the treatment of any of its items of income, taxable income, expense, taxable capital or taxable paid up capital with respect to the Subordinated Notes (including the treatment by the Issuer of interest on the Subordinated Notes) or the treatment of the Subordinated Notes, as or as would be reflected in any tax return or form filed, to be filed, or otherwise could have been filed, will not be respected by a taxing authority.

(c) ***Early Redemption for Illegality***

This Condition 5(c) applies to Senior Notes only.

Where Early Redemption for Illegality is specified as being applicable in the applicable Final Terms, in the event that the Issuer determines in good faith that the performance of the Issuer’s obligations under a Series of Senior Notes or any arrangement made by the Issuer and/or any Affiliate to hedge the Issuer’s obligations under the Senior Notes have or will become unlawful, illegal or otherwise prohibited in whole or in part as a result of

compliance with any applicable present or future law, rule, regulation, judgment, order or directive of any governmental, administrative, legislative or judicial authority or power, or in the interpretation thereof, the Issuer having given not less than the minimum period and not more than the maximum period of notice specified in the applicable Final Terms to Noteholders in accordance with Condition 14 (which notice shall be irrevocable), may, on expiry of such notice redeem all, but not some only, of the Senior Notes, each Senior Note being redeemed at the Early Redemption Amount together (if appropriate) with interest accrued to (but excluding) the date of redemption, taking into account any hedging losses by Issuer and/or such Affiliate(s). In respect of Bail-inable Notes, where the redemption would lead to a breach of the Issuer's minimum TLAC requirements, such redemption will be subject to the prior approval of the Superintendent.

(d) Early Redemption for Administrator/Benchmark Event

This Condition 5(d) applies to Senior Notes only.

Where Early Redemption for an Administrator/Benchmark Event is specified as being applicable in the applicable Final Terms for a Series of Senior Notes, in the event of an Administrator/Benchmark Event, the Issuer may (at its option and sole and absolute discretion):

- (i) instruct the Calculation Agent to make such adjustment(s) to the terms of the Senior Notes as it may determine appropriate in its sole and absolute discretion to account for the relevant event or circumstance and, without limitation, such adjustment(s) may include selecting a successor benchmark(s) and making related adjustment(s) to the terms of the Senior Notes including where applicable to reflect any increased costs of the Issuer and/or any Hedging Entity providing exposure to the successor benchmark(s) and, in the case of more than one successor benchmark, making provision for allocation of exposure as between the successor benchmarks; or
- (ii) having given not less than the minimum period and not more than the maximum period of notice specified in the applicable Final Terms to Noteholders in accordance with Condition 14 (which notice shall be irrevocable), may, on expiry of such notice redeem all, but not some only, of the Notes, each Senior Note being redeemed at the Early Redemption Amount and no further interest (if applicable) will be payable since the immediately preceding Interest Payment Date or, if none, the Issue Date. In respect of Bail-inable Notes, where the redemption would lead to a breach of the Issuer's TLAC requirements, such redemption will be subject to the prior approval of the Superintendent.

For the avoidance of doubt, the above is additional, and without prejudice, to any other terms of the Senior Notes. In the event that under any such terms any other consequences could apply in relation to an event or occurrence the subject of an Administrator/Benchmark Event, the Issuer shall determine which terms shall apply in its sole and absolute discretion.

The Issuer shall give notice as soon as practicable to Noteholders in accordance with Condition 14 of any adjustment(s) made pursuant to paragraph (i) above, provided that any failure to give, or non-receipt of, such notice shall not affect the validity of such adjustment(s).

For the purposes of this Condition:

"Administrator/Benchmark Event" means, in relation to any Benchmark, the occurrence of a Benchmark Modification or Cessation Event, a Non-Approval Event, a Rejection Event, a Suspension/Withdrawal Event or a Non-Representative Event, all as determined by the Calculation Agent.

"Benchmark" means any figure, level, rate or value by reference to which any amount payable or deliverable under the Notes, or the value of the Notes, is determined in whole or in part, including, without limitation, any benchmark as defined in the BMR, all as determined by the Calculation Agent.

"Benchmark Modification or Cessation Event" means, in respect of the Benchmark, any of the following has occurred or will occur:

- (i) any material change in such Benchmark;
- (ii) the permanent or indefinite cancellation or cessation in the provision of such Benchmark; or
- (iii) a regulator or other official sector entity prohibits the use of such Benchmark.

“**BMR**” means the EU Benchmark Regulation (Regulation (EU) 2016/1011) or any UK-equivalent version thereof where applicable, in each case as amended from time to time.

“**Hedging Entity**” means (a) the Issuer or (b) any affiliate or any entity (or entities) acting on behalf of the Issuer that is engaged in any underlying or hedging transactions related to the underlying reference rates in respect of the Issuer’s obligations under the Notes.

“**Non-Approval Event**” means, in respect of the Benchmark:

- (i) any authorisation, registration, recognition, endorsement, equivalence decision or approval in respect of the Benchmark or the administrator or sponsor of the Benchmark has not been or will not be obtained;
- (ii) the Benchmark or the administrator or sponsor of the Benchmark has not been or will not be included in an official register; or
- (iii) the Benchmark or the administrator or sponsor of the Benchmark does not or will not fulfil any legal or regulatory requirement applicable to the Notes, the Issuer, the Calculation Agent or the Benchmark,

in each case, as is or will be required under any applicable law or regulation in order for any of the Issuer, the Calculation Agent or any other entity to perform its obligations in respect of the Notes.

“**Non-Representative Event**” means, in respect of the Benchmark, an official announcement by the supervisor of the administrator and/or sponsor of the Benchmark that the Benchmark is no longer or, as of a specified future date will no longer be, representative of any relevant underlying market(s).

“**Rejection Event**” means, in respect of the Benchmark, the relevant competent authority or other relevant official body rejects or refuses or will reject or refuse any application for authorisation, registration, recognition, endorsement, equivalence decision, approval or inclusion in any official register which, in each case, is or will be required in relation to the Notes, the Benchmark or the administrator or sponsor of the Benchmark under any applicable law or regulation for any of the Issuer, the Calculation Agent or any other entity to perform its obligations in respect of the Notes.

“**Suspension/Withdrawal Event**” means, in respect of the Benchmark:

- (i) the relevant competent authority or other relevant official body suspends or withdraws or will suspend or withdraw any authorisation, registration, recognition, endorsement, equivalence decision or approval in relation to the Benchmark or the administrator or sponsor of the Benchmark which is or will be required under any applicable law or regulation in order for any of the Issuer, the Calculation Agent or any other entity to perform its obligations in respect of the Notes; or
- (ii) the Benchmark or the administrator or sponsor of the Benchmark is or will be removed from any official register where inclusion in such register is or will be required under any applicable law in order for any of the Issuer, the Calculation Agent or any other entity to perform its obligations in respect of the Notes.

(e) ***Redemption due to TLAC Disqualification Event (Bail-inable Notes) or Regulatory Event (Subordinated Notes)***

(i) ***Redemption due to TLAC Disqualification Event (Bail-inable Notes)***

This Condition 5(e)(i) applies to Bail-inable Notes only.

Where a TLAC Disqualification Event is specified as being applicable in the applicable Final Terms relating to a Series of Bail-inable Notes, the Issuer may at its option, on giving not less than 30 days' nor more than 60 days' notice in accordance with Condition 14, redeem all but not less than all of the outstanding Bail-inable Notes of the Series (if the Bail-inable Notes are Floating Rate Notes) within 90 days after a TLAC Disqualification Event (as defined below) at the Early Redemption Amount, or (if the Bail-inable Notes are not Floating Rate Notes) at any time at the Early Redemption Amount, together (if applicable) with any accrued but unpaid interest up to (but excluding) the date fixed for redemption. Such redemption will be subject to the prior approval of the Superintendent. A "**TLAC Disqualification Event**" means the Office of the Superintendent of Financial Institutions ("**OSFI**") has advised the Issuer in writing that the Series of Bail-inable Notes will no longer be recognized in full as TLAC under the guideline for TLAC for banks in Canada in effect from time to time, as interpreted by the Superintendent, provided that a TLAC Disqualification Event shall not occur where the exclusion of the Series of Bail-inable Notes from the Issuer's TLAC requirements is due to the remaining term to maturity of such Series of Bail-inable Notes being less than any period prescribed by any relevant TLAC eligibility criteria applicable as of the Issue Date of the first Tranche of such Series of Bail-inable Notes.

(ii) Regulatory Event (Subordinated Notes)

This Condition 5(e)(ii) applies to Subordinated Notes only.

The Issuer may, at its option and having given no less than 30 days' nor more than 60 days' notice (ending in the case of Floating Rate Notes, on an Interest Payment Date) to Noteholders holding the Subordinated Notes in accordance with Condition 14, with the prior written approval of the Superintendent, redeem the Subordinated Notes, in whole but not in part from time to time at any time within 90 days following a Regulatory Event Date at the Early Redemption Amount together (if applicable) with any accrued but unpaid interest up to (but excluding) the date fixed for redemption.

For the purposes of this Condition 5(e)(ii), "**Regulatory Event Date**" means the date specified in a letter from the Superintendent to the Issuer on which the Subordinated Notes will no longer be recognised in full as eligible "Tier 2 Capital" or will no longer be eligible to be included in full as risk-based "Total Capital" on a consolidated basis under the guidelines for capital adequacy requirements for banks in Canada as interpreted by the Superintendent.

(f) Purchases

The Issuer and any of its Affiliates, if applicable, may at any time purchase Notes issued by the Issuer (provided that all unmatured Receipts (if any) and Coupons and unexchanged Talons appertaining thereto are attached or surrendered therewith) in the open market or otherwise at any price, provided that in respect of Subordinated Notes, or in respect of Bail-inable Notes where a purchase for cancellation by the Issuer would lead to a breach of the Issuer's minimum TLAC requirements, such purchase for cancellation by the Issuer will be subject to the prior approval of the Superintendent.

(g) Early Redemption of Zero Coupon Notes

(i) The Early Redemption Amount payable in respect of any Zero Coupon Note which does not bear interest prior to the Maturity Date, the Early Redemption Amount of which is not linked to an index and/or a formula, upon redemption of such Note pursuant to Condition 5(b) or 5(d) or upon it becoming due and payable as provided in Condition 9 shall be the Amortised Face Amount (calculated as provided below) of such Note.

(ii) Subject to the provisions of sub-paragraph (iii) below, the Amortised Face Amount of any such Zero Coupon Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield applied on a compounded or non-compounded basis as specified in the applicable Final Terms (which, if none is specified in the applicable Final Terms, shall be such rate (compounded annually) as would produce an Amortised Face Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually. Where such calculation is to be made for a period

of less than one year, it shall be made on the basis of the Day Count Fraction shown in the applicable Final Terms.

(iii) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 5(b) or 5(d) or upon it becoming due and payable as provided in Condition 9 is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note as defined in sub-paragraph (ii) above, except that such sub-paragraph shall have effect as though the reference therein to the Maturity Date were replaced by a reference to the Relevant Date. The calculation of the Amortised Face Amount in accordance with this sub-paragraph will continue to be made (as well after as before judgment), until the Relevant Date unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date together with any interest which may accrue in accordance with Condition 4(e).

(h) *Redemption at the Option of the Issuer and Exercise of Issuer's Options*

If the Issuer's Option is specified as applicable in the applicable Final Terms, the Issuer may, on giving no less than five Relevant Business Days' irrevocable notice (or such other notice period as specified in the applicable Final Terms) to the Noteholders and the Fiscal Agent falling within the Issuer's Option Period, redeem or exercise any Issuer's Option in relation to, all or, if so provided in the applicable Final Terms, some of the Notes on any Optional Redemption Date(s), or on any date falling within the Issuer's Option Period, in each case as may be specified in the applicable Final Terms. Any such redemption of Notes shall be at their Optional Redemption Amount together with interest accrued to the date fixed for redemption, provided that in respect of Subordinated Notes, or in respect of Bail-inable Notes where the redemption would lead to a breach of the Issuer's minimum TLAC requirements, such redemption will be subject to the prior approval of the Superintendent. Any such partial redemption or exercise must relate to Notes of a nominal amount at least equal to the Minimum Redemption Amount to be redeemed specified in the applicable Final Terms and no greater than the Maximum Redemption Amount to be redeemed specified in the applicable Final Terms.

All Notes in respect of which any such notice is given shall be redeemed, or the Issuer's Option shall be exercised by the Issuer, on the date specified in such notice in accordance with this Condition.

Notice of such redemption shall be irrevocably given to the Noteholders in accordance with Condition 14, provided that Bail-inable Notes continue to be subject to a Bail-in Conversion prior to their repayment in full.

In the case of a partial redemption or a partial exercise of the Issuer's Option, the notice to Noteholders shall also contain the serial numbers of the Notes to be redeemed, which shall have been drawn in such place as the Fiscal Agent may approve and in such manner as it deems appropriate, subject to compliance with any applicable laws and the requirements of any relevant stock exchange or other relevant authority.

(i) *Redemption at the Option of Noteholders and Exercise of Noteholders' Options*

This Condition 5(i) is not applicable to Bail-inable Notes or Subordinated Notes.

If the Noteholders' Option is specified as applicable in the applicable Final Terms, the Issuer shall, at the option of the Noteholder, redeem such Notes in whole, but not in part, on the date or dates so provided at its Optional Redemption Amount together with interest accrued to the date fixed for redemption.

To exercise such option or any other Noteholders' Option which may be set in the applicable Final Terms, the holder must deposit such Note with any Paying Agent (in the case of Bearer Notes) or the Certificate representing such Note(s) with the Registrar or any Transfer Agent (in the case of Registered Notes) at its specified office, together with a duly completed option exercise notice ("**Exercise Notice**") in the form obtainable from any Paying Agent, the Registrar or any Transfer Agent (as applicable) within the Noteholders' Option Period. No Note or Certificate so deposited and option exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer. The Exercise Notice is irrevocable and must be delivered to the Paying Agent not less than the minimum period of notice nor more than the maximum period of notice (in each case, as specified in the applicable Final Terms) prior to the relevant date for redemption.

(j) *Redemption by Instalments*

This Condition 5(j) is not applicable to Bail-inable Notes or Subordinated Notes.

Unless previously redeemed, purchased and cancelled as provided in this Condition 5 or the relevant Instalment Date (being one of the dates so specified in the applicable Final Terms) is extended pursuant to any Issuer's or Noteholder's option in accordance with Condition 5(h) or (i), each Note which provides for Instalment Dates and Instalment Amounts will be partially redeemed on each Instalment Date at the Instalment Amount specified on it, whereupon the outstanding principal amount of such Note shall be reduced by the Instalment Amount for all purposes.

(k) Cancellation

All Notes purchased by or on behalf of the Issuer or any of its subsidiaries may be surrendered for cancellation, in the case of Bearer Notes, by surrendering each such Note together with all unmatured Receipts and Coupons and all unexchanged Talons to the Fiscal Agent and, in the case of Registered Notes, by surrendering the Certificate representing such Notes to the Registrar and, in each case, if so surrendered, will, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with all unmatured Receipts and Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

(l) Synthetic Currency Notes

All payments of principal on Synthetic Currency Notes are subject to the provisions outlined in Annex 7.

(m) Early Redemption Amount

For the purposes of this Condition 5, "Early Redemption Amount" or "Optional Redemption Amount" means the amount specified in the applicable Final Terms.

If "Fair Market Value" is specified as the Early Redemption Amount in the applicable Final Terms, it means an amount determined by the Calculation Agent equal to the fair market value of such Senior Notes on the Market Valuation Date specified in the applicable Final Terms taking into account, if applicable, the event resulting in the early redemption of the Notes, as determined by the Calculation Agent in its sole and absolute discretion by reference to such factor(s) as it may deem appropriate less the Early Redemption Unwind Costs if specified to be applicable in the applicable Final Terms. For the purposes of determining the fair market value of the Senior Notes following an Event of Default, no account shall be taken of the financial condition of the Issuer which shall be presumed to be able to perform fully its obligations in respect of the Notes.

For the purposes of this Condition 5(m), "**Early Redemption Unwind Costs**" means an amount determined by the Calculation Agent equal to the sum of (without duplication) all costs, expenses (including loss of funding), tax and duties incurred by the Issuer in connection with the redemption of the Senior Notes and the related termination, settlement or re-establishment of any hedge or related trading position, such amount to be apportioned pro rata amongst each principal amount of Notes equal to the Calculation Amount.

(n) Redemption Irrevocable

A notice of redemption under this Condition 5 shall be irrevocable, except that (a) in the case of Bail-inable Notes, an order under subsection 39.13(1) of the CDIC Act, or in the case of Subordinated Notes, the occurrence of a Non-Viability Trigger Event, prior to the date fixed for redemption shall automatically rescind such notice of redemption and, in such circumstances, no Bail-inable Notes or Subordinated Notes shall be redeemed and no payment in respect of the Bail-inable Notes or Subordinated Notes shall be due and payable.

6. Payments and Talons

(a) Bearer Notes

Payments of principal and interest in respect of Bearer Notes will, subject as mentioned below, be made against presentation and surrender 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 relative

Note), Notes (in the case of all other payments of principal and, in the case of interest, as specified in Condition 6(f)(vi)) or Coupons (in the case of interest, save as specified in Condition 6(f)(vi)), as the case may be, at the specified office of any Paying Agent outside the United States by a cheque payable in the currency in which such payment is due drawn on, or, at the option of the holder, by credit or transfer to an account denominated in that currency maintained by or as directed by the holder with, a bank in the principal financial centre of that currency, provided that (i) in the case of euro, payments will be made by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) or by a euro cheque; (ii) in the case of Japanese yen, the credit or transfer will be made to a non-resident Japanese yen account with an authorised foreign exchange bank (in the case of payment to a non-resident of Japan); and (iii) in the case of U.S. dollars, payments will be made by credit or transfer to a U.S. dollar account maintained by the holder outside the United States.

The Receipts are not and shall not in any circumstances be deemed to be documents of title and if separated from the Note to which they relate will not represent any obligation of the Issuer. Accordingly, the presentation of a Note without the relevant Receipt or the presentation of a Receipt without the Note to which it appertains shall not entitle the holder to any payment in respect of the relevant Instalment Amount.

(b) *Registered Notes*

(i) Payments of principal (which for the purposes of this Condition 6(b) shall include final Instalment Amounts but not other Instalment Amounts, Final Redemption Amounts, Early Redemption Amounts or Optional Redemption Amounts) in respect of Registered Notes will be made against presentation and surrender of the relevant Certificates at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in paragraph (ii) below.

(ii) Interest (which for the purpose of this Condition 6(b) shall include all Instalment Amounts other than final Instalment Amounts) in relation to (i) Registered Notes in global form, will be paid to the person shown on the Register at the close of the business day (which for this purpose means a day on which Euroclear and Clearstream, Luxembourg are open for business) before the due date for payment thereof or (ii) in relation to Registered Notes in definitive form will be paid to the person shown on the Register at the close of business on the fifteenth day before the due date for payment thereof (the “**Record Date**”). Payments of interest on each Registered Note will be made in the currency in which such payments are due by cheque drawn on a bank in the principal financial centre of the country of the currency concerned and mailed to the holder (or to the first named of joint holders) of such Note at its address appearing in the Register maintained by the Registrar. Upon application by the holder to the specified office of the Registrar or any Transfer Agent before the Record Date and subject as provided in Condition 6(a) above, such payment of interest may be made by transfer to an account in the relevant currency maintained by the payee with a bank in the principal financial centre of the country of that currency.

(c) *Payments in the United States*

Notwithstanding the foregoing, if any Bearer Notes are denominated in U.S. 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 Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts, and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer.

(d) *Payments subject to fiscal and other laws*

Payments will be subject in all cases, but without prejudice to the provisions of Condition 7, to (i) any fiscal or other laws and regulations applicable thereto in the place of payment, (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the “**Code**”) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, official interpretations thereof, or law implementing an intergovernmental approach thereto and (iii) any withholding or deduction required pursuant to Section 871(m) of the Code. Furthermore, when withholding tax pursuant to Section 871(m) of the Code, the Issuer may withhold the full 30 per cent. tax on any payment in

respect of any dividend equivalent arising with respect to such Notes regardless of any exemption from, or reduction in, such withholding otherwise available under applicable law. Any such amounts withheld or deducted as required pursuant to an agreement described in the Code will be treated as paid for all purposes under the Notes, and no additional amounts will be paid on the Notes with respect to any such withholding or deduction.

Payments on the Notes that reference U.S. securities or an index that includes U.S. securities may be calculated by reference to dividends on such U.S. securities that are reinvested at a rate of 70%. In such case, in calculating the relevant payment amount, the holder will be deemed to receive, and the Issuer will be deemed to withhold, 30% of any dividend equivalent payments (as defined in Section 871(m) of the Code) in respect of the relevant U.S. securities. The Issuer will not pay any additional amounts to the holder on account of the Section 871(m) amount deemed withheld.

(e) *Appointment of Agents*

The Fiscal Agent, the Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent initially appointed by the Issuer and their respective specified offices are listed below. The Fiscal Agent, the Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent act solely as agents of the Issuer and do not assume any obligation or relationship of agency or trust for or with any Noteholder. The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent, any other Paying Agent, the Registrar or any Transfer Agent and to appoint additional or other Paying Agents or Transfer Agents, provided that the Issuer will at all times maintain (i) a Fiscal Agent, (ii) a Registrar in relation to Registered Notes, (iii) a Transfer Agent in relation to Registered Notes, (iv) a Calculation Agent where the Conditions so require one, (v) a Paying Agent, and (vi) such other agents as may be required by any other stock exchange or other relevant authority on which the Notes may be listed or as may be agreed between the Issuer and the relevant Dealer.

In addition, the Issuer shall forthwith appoint a Paying Agent in New York in respect of any Notes denominated in U.S. dollars in the circumstances described in Condition 6(c) above.

Notice of any such change or any change of any specified office will promptly be given to the Noteholders in accordance with Condition 14.

(f) *Unmatured Coupons and Receipts and unexchanged Talons*

(i) Unless the applicable Final Terms provide that the unmatred Coupons are to become void upon the due date for redemption of those Notes, Bearer Notes should be surrendered for payment together with all unmatred Coupons (if any) appertaining thereto, failing which an amount equal to the face value of each missing unmatred Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unmatred Coupon which the sum of principal so paid bears to the total principal due) will be deducted from the Redemption Amount due for payment. Any amount so deducted will be paid in the manner mentioned above against surrender of such missing Coupon within a period of two years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 8).

(ii) If the applicable Final Terms so provides, upon the due date for redemption of any Bearer Note, unmatred Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.

(iii) Upon the due date for redemption of any Bearer Note, any unexchanged Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.

(iv) Upon the due date for redemption of any Bearer Note which is redeemable in instalments, all Receipts relating to such Note 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.

(v) Where any Bearer Note which provides that the unmatred Coupons are to become void upon the due date for redemption of those Notes is presented for redemption without all unmatred Coupons and any unexchanged Talon relating to it, and where any Bearer Note is presented for redemption

without any unexchanged Talon relating to it, redemption shall be made only against the provisions of such indemnity as the Issuer may require.

(vi) If the due date for redemption of any Note is not an Interest Payment Date, interest accrued from the preceding Interest Payment Date or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Note or Certificate representing it, as the case may be. Interest accrued on a Note which only bears interest after its Maturity Date shall be payable on redemption of such Note against presentation of the relevant Note or Certificate representing it, as the case may be.

(g) Talons

On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Fiscal Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet), but excluding any Coupons which may have become void pursuant to Condition 8.

(h) Non-Business Days

Unless otherwise specified in the applicable Final Terms, if any date for payment in respect of any Note, Receipt or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this paragraph, “**business day**” means a day (other than a Saturday or a 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 (A) in the case of Notes in definitive form only, the relevant place of presentation (if presentation is required), or (B) in each other place (if any) specified in the applicable Final Terms as a Financial Centre (other than T2) and, if T2 is specified in the applicable Final Terms as a Finance Centre, a T2 Settlement Day and:

(i) in the case of a payment in a currency other than euro, where payment is to be made by transfer to an account maintained with a bank in such currency, a day on which foreign exchange transactions may be carried on in such currency in the principal financial centre of the country of such currency; or

(ii) in the case of a payment in euro, a day which is a T2 Settlement Day.

(i) Definition of Affiliate

“**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.

(j) Redenomination

As may be indicated in the applicable Final Terms, the Issuer may, but shall not be obligated to, with respect to Notes originally denominated in the national currency of a Member State of the European Union (“**EU**”) that adopts the single Currency in accordance with the Treaty establishing the European Community, as amended (the “**Treaty**”), without the consent of the holders of the Notes, Certificates, Receipts, Coupons or Talons by giving at least 30 days’ notice in accordance with Condition 14, redenominate all, but not some only, of the Notes into euro with effect from any Interest Payment Date or, in the case of Zero Coupon Notes, any date (the “**Redenomination Date**”) falling on or after the date on which such Member State of the EU has adopted the euro.

With effect from the Redenomination Date, notwithstanding the other provisions of the Conditions:

(A) such Notes shall be deemed to be redenominated in euro with a principal amount for each Note equal to the principal amount of that Note in the currency of the participating Member State, converted into euro to the nearest euro 0.01 at the rate for conversion of the national currency of the participating Member State into euro established by the Council of the EU pursuant to the Treaty (including compliance with rules relating to rounding in accordance with European Community regulations) provided that, if the Issuer

determines, with the agreement of the Fiscal Agent, that the then market practice in respect of the redenomination into euro 0.01 of internationally offered securities is different from the provision specified above, such provisions shall be deemed to be amended so as to comply with such market practice and the Issuer shall promptly notify the Noteholders, the stock exchange or other relevant authority (if any) on which the Notes may be listed and the Paying Agents of such deemed amendments;

(B) if definitive Notes are required to be issued, they shall be issued at the expense of the Issuer in the denominations of euro 1,000, euro 10,000, euro 100,000 or such other denominations as the Fiscal Agent shall determine and notify to the Noteholders (the smallest such denomination being hereinafter referred to as the “**Minimum Euro Denomination**”);

(C) if definitive Notes have been issued, all unmatured Coupons denominated in the national currency of the participating Member State (whether or not attached to the Notes) will become void with effect from the date on which the Issuer gives the notice (the “**Exchange Notice**”) that replacement euro-denominated Notes and Coupons are available for exchange (provided that such securities 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 certificates in respect of euro- denominated Notes and Coupons will be issued in exchange for Notes and Coupons denominated in the national currency of the participating Member State in such manner as the Fiscal Agent may specify and as shall be notified to Noteholders in the Exchange Notice;

(D) any balance remaining from the redenomination that is less than the Minimum Euro Denomination and greater than or equal to euro 0.01 shall be paid by way of cash adjustment rounded to the nearest euro 0.01 (with euro 0.005 being rounded upwards). Such cash adjustment will be payable in euro on the Redenomination Date in the manner notified to the Noteholders by the Issuer;

(E) all payments in respect of such Notes (other than, unless the Redenomination Date is on or after such date as the national currency of the participating Member State ceases to be a sub-division of the euro, payments of interest in respect of periods commencing before the Redenomination Date) will be made solely in euro;

(F) Notes, Certificates, Receipts, Coupons or Talons may only be presented for payment on a day on which commercial banks and foreign exchange markets are open for general business in the place of presentation and which is a T2 Settlement Day;

(G) the amount of interest in respect of such Notes will be calculated by reference to the aggregate principal amount of Notes presented (or, as the case may be, in respect of which Coupons are presented) for payment by the relevant Noteholder and the amount of such payment shall be rounded down to the nearest euro 0.01;

(H) if interest is required to be calculated for a period of less than 1 year, the Day Count Fraction will be “**Actual/Actual**”; provided, however, in relation to floating rate notes denominated in euro the Day Count Fraction will be “**Actual/360**”; and

(I) upon any such redenomination of the Notes, any reference in these Conditions and the applicable Final Terms to the relevant national currency shall, where the context so admits, be construed as a reference to euro.

(k) *Payments in an Alternative Currency*

Unless this Condition 6(k) is specified not to be applicable in the applicable Final Terms, if the Issuer is due to make a payment in a currency (the “**original currency**”) other than euro or Renminbi in respect of any Note or Coupon and the original currency is not available on the foreign exchange markets due to the imposition of exchange controls, the original currency’s replacement or disuse or other circumstances beyond the Issuer’s control, the Issuer will be entitled to satisfy its obligations in respect of such payment by making payment in U.S.

dollars (the “**Alternative Currency**”) on the basis of the spot exchange rate (the “**USD FX Rate**”) at which the original currency is offered in exchange for USD in the London foreign exchange market (or, at the option of the Issuer or its designated Calculation Agent, in the foreign exchange market of any other financial centre which is then open for business) at noon, London time, two Business Days prior to the date on which payment is due or, if the USD FX Rate is not available on that date, on the basis of a substitute exchange rate determined by the Calculation Agent acting in its absolute discretion from such source(s) and at such time as it may select. For the avoidance of doubt, the USD FX Rate or substitute exchange rate as aforesaid may be such that the resulting Alternative Currency amount is zero and in such event no amount of Alternative Currency or the original currency will be payable. Any payment made in Alternative Currency or non-payment in accordance with this paragraph will not constitute an Event of Default under Condition 9 or trigger the Issuer’s indemnification obligation under Condition 15.

For the purposes of Condition 6(k), “**Calculation Agent**” means the Fiscal Agent or such other entity specified as Calculation Agent in the applicable Final Terms.

(l) RMB Currency Event

If “RMB Currency Event” is specified as being applicable in the applicable Final Terms and an RMB Currency Event, as determined by the Issuer acting in good faith and in a commercially reasonable manner, exists on a date for payment of any amount in respect of any Note or Coupon, the Issuer’s obligation to make a payment in RMB under the terms of the Notes may be replaced by an obligation to pay such amount in the Relevant Currency converted using the Spot Rate for the relevant Rate Determination Date.

Upon the occurrence of an RMB Currency Event, the Issuer shall give notice to Noteholders as soon as practicable in accordance with Condition 14 stating the occurrence of the RMB Currency Event, giving details thereof and the action proposed to be taken in relation thereto.

In this Condition 6(l)

“**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 the relevant RMB Settlement Centre(s);

“**PRC**” means the People’s Republic of China;

“**Rate Determination Business Day**” means a day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange) in the relevant RMB Settlement Centre(s), London and New York City;

“**Rate Determination Date**” means the day which is two Rate Determination Business Days before the due date of the relevant payment under the Notes or Coupon;

“**Relevant Currency**” means U.S. Dollars or such other currency specified as such in the applicable Final Terms;

“**RMB Currency Event**” means any one of RMB Illiquidity, RMB Inconvertibility and RMB Non-Transferability;

“**RMB Illiquidity**” means the general Renminbi exchange market in the relevant RMB Settlement Centre(s) becomes illiquid as a result of which the Issuer cannot obtain sufficient Renminbi in order to satisfy its obligation to pay interest and principal (in whole or in part) in respect of the Notes, as determined by the Issuer in good faith and in a commercially reasonable manner;

“**RMB Inconvertibility**” means the occurrence of any event that makes it impossible or, having used its reasonable efforts, impracticable, for the Issuer to convert into Renminbi any amount due in respect of the Notes on any payment date in the general Renminbi exchange market in the relevant RMB Settlement Centre(s), other than where such impossibility or impracticability is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Issue Date of the first Tranche of the relevant Series and it is impossible or, having used its reasonable efforts, impracticable, for the Issuer due to an event beyond its control, to comply with such law, rule or regulation);

“**RMB Non-transferability**” means the occurrence of any event that makes it impossible or, having used its reasonable endeavours, impracticable, for the Issuer to deliver Renminbi between accounts inside the relevant RMB Settlement Centre(s) or from an account in the relevant RMB Settlement Centre(s) to an account outside the relevant RMB Settlement Centre(s) (including where the Renminbi clearing and settlement system for participating banks in the relevant RMB Settlement Centre(s) is disrupted or suspended), other than where such impossibility or impracticability is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Issue Date of the first Tranche of the relevant Series and it is impossible or, having used its reasonable efforts, impracticable, for the Issuer due to an event beyond its control, to comply with such law, rule or regulation);

“**RMB Settlement Centre(s)**” means the financial centre(s) specified as such in the applicable Final Terms in accordance with applicable laws and regulations. If no RMB Settlement Centre is specified in the relevant Final Terms, the RMB Settlement Centre shall be Hong Kong.

“**Spot Rate**” means, unless otherwise specified in the applicable Final Terms, in respect of any relevant day, the spot exchange rate on such day between CNY and the Relevant Currency determined by the Calculation Agent at or around 11.00 a.m. (local time at the relevant RMB Settlement Centre(s)) on the Rate Determination Date, taking into consideration all available information which the Calculation Agent deems relevant, including, but not limited to, pricing information obtained from the Renminbi non-deliverable exchange market in the relevant RMB Settlement Centre(s) or elsewhere and/or the CNY and the Relevant Currency exchange rate in the PRC domestic foreign exchange market.

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 6(1), whether by the Fiscal Agent or the Calculation Agent, shall (in the absence of negligence, wilful default, bad faith or manifest error) be binding on the Issuer, the Fiscal Agent, Calculation Agent (if applicable), any other Paying Agents and all Noteholders and (in the case of Registered Notes) the Registrar and any Transfer Agent and (in the absence as aforesaid) no liability to the Issuer or the Noteholders shall attach to the Fiscal Agent or the Calculation Agent (if applicable) in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

Any payment made in the Relevant Currency or non-payment in accordance with this paragraph will not constitute an Event of Default under Condition 9.

7. Taxation

All payments of principal and interest in respect of the Notes, the Receipts and the Coupons by the Issuer will be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of (i) Canada, any province or territory or political subdivision thereof or any authority therein or thereof having power to tax, or (ii) in the case of Notes issued by a branch of the Issuer located outside Canada, the country in which such branch is located or any subdivision thereof or any authority therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments or governmental charges is required by law, rule or regulation or the administration thereof. In that event, the Issuer will pay such additional amounts as may be necessary in order that the net amounts received by the Noteholders and the Couponholders after such withholding or deduction shall equal the respective amounts of principal and interest which would have been received in respect of the Notes, Receipts or (as the case may be) Coupons, in the absence of such withholding or deduction; except that no additional amounts shall be payable with respect to any payment in respect of any Note, Receipt or Coupon:

(1) to, or to a third party on behalf of, a Noteholder who is liable or subject to such taxes, duties, assessments or governmental charges in respect of such Note, Receipt or Coupon for any reason other than the mere holding or ownership or deemed holding or ownership of such Note, Receipt or Coupon as a non-resident or deemed non-resident of the jurisdiction imposing such tax, duty, assessment or governmental charge or who would not be liable or subject to such withholding or deduction by making a declaration of non-residence or other similar claim for exemption (including an application for relief under any applicable double tax treaty) to the relevant tax authority; or

(2) to, or to a third party on behalf of, a holder in respect of whom such tax, duty, assessment or governmental charge is required to be withheld or deducted by reason of the holder (i) being a person with whom the Issuer is not dealing at arm's length (within the meaning of the *Income Tax Act* (Canada)), or (ii) being an

entity that is a “specified entity” (as defined in proposed subsection 18.4(1) of the *Income Tax Act* (Canada) contained in proposals to amend such Act released on April 29, 2022) in respect of the Issuer;; or

(3) on account of any such taxes, duties, assessments or governmental charges required to be withheld or deducted by any paying agent, collecting agent or other intermediary from a payment on a Note, Receipt or Coupon if such payment can be made without such deduction or withholding by another paying agent, collecting agent or other intermediary; or

(4) presented for payment more than 30 days after the Relevant Date except to the extent that the holder thereof would have been entitled to such additional amount on presenting the same for payment on the thirtieth such day, assuming that day to have been a Payment Date.

As used in these Conditions, “**Relevant Date**” in respect of any Note, Receipt or Coupon means the date on which payment in respect thereof first becomes due 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 on which notice is duly given to the Noteholders in accordance with Condition 14 that, upon further presentation of the Note (or relative Certificate), Receipt or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation.

References in these Conditions to “**principal**” shall be deemed to include, as applicable:

- (a) any additional amounts which may be payable with respect to principal under Condition 7;
- (b) the Final Redemption Amount of the Notes;
- (c) the Early Redemption Amount of the Notes;
- (d) the Optional Redemption Amount(s) (if any) of the Notes;
- (e) the Failure to Deliver Settlement Price (if any) in respect of the Notes;
- (f) the Disruption Cash Settlement Price (if any) in respect of the Notes;
- (g) the Credit Event Redemption Amount (if any) in respect of the Notes;
- (h) the Partial Cash Settlement Amount (if any) in respect of the Notes;
- (i) in relation to Notes redeemable in instalments, the Instalment Amounts;
- (j) in relation to Zero Coupon Notes, the Amortised Face Amount; and
- (k) any premium and any other amounts in the nature of principal payable pursuant to Condition 5 or any amendment or supplement to it which may be payable by the Issuer under or in respect of the Notes.

Any reference in these Terms and Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under this Condition 7.

8. Prescription

Claims against the Issuer for payment in respect of the Notes, Receipts and Coupons (which, for this purpose shall not include Talons) shall be prescribed and become void unless made within two years from the appropriate Relevant Date in respect thereof.

9. Events of Default

If any of the following events (each, an “**Event of Default**”) occurs and is continuing, the holder of any Note may give written notice to the Fiscal Agent at its specified office that such Note is immediately repayable,

whereupon the Redemption Amount of such Note together with accrued interest to the date of payment shall become immediately due and payable:

(a) In relation to Notes (which are not Bail-inable Notes):

(i) if the default is made for more than 30 days (in the case of interest) or five days (in the case of principal) in the payment on the due date of interest or principal in respect of any such Notes; or

(ii) if the Issuer shall become insolvent or bankrupt or subject to the provisions of the *Winding-up and Restructuring Act* (Canada) (the “**WURA**”), or any statute hereafter enacted in substitution therefor, as such Act, or substituted Act, as may be amended from time to time, or if the Issuer goes into liquidation, either voluntary or under an order of a court of competent jurisdiction, passes a resolution for the winding-up, liquidation or dissolution of the Issuer, is ordered wound-up or otherwise acknowledges its insolvency.

(b) In relation to Bail-inable Notes:

(i) if default is made for more than 30 Relevant Business Days (as defined in Condition 4(j)) in the payment on the due date of interest or principal in respect of any such Notes; or

(ii) if the Issuer shall become insolvent or bankrupt or subject to the provisions of the WURA, or any statute hereafter enacted in substitution therefor, as such Act, or substituted Act, may be amended from time to time, or if the Issuer goes into liquidation, either voluntary or under an order of a court of competent jurisdiction, passes a resolution for the winding-up, liquidation or dissolution of the Issuer, is ordered wound-up or otherwise acknowledges its insolvency.

Noteholders may only exercise rights under this Condition 9 in respect of Bail-inable Notes where an Order has not been made pursuant to subsection 39.13(1) of the CDIC Act in respect of the Issuer. Notwithstanding the exercise of any rights by Noteholders under this Condition 9 in respect of Bail-inable Notes, Bail-inable Notes will continue to be subject to conversion in whole or in part into common shares under subsection 39.2(2.3) of the CDIC Act until their repayment in full. Neither a conversion, in whole or in part, of Bail-inable Notes into common shares under subsection 39.2(2.3) of the CDIC Act nor an NVCC Automatic Conversion upon the occurrence of a Non-Viability Trigger Event will be an Event of Default in relation to the Senior Notes. By its acquisition of the Bail-inable Notes, each holder (including each holder of a beneficial interest in any Bail-inable Note), to the extent permitted by law, waives any and all claims, in law and/or in equity, against the Fiscal Agent (in each case solely in its capacity as Fiscal Agent) for, agrees not to initiate a suit against the Fiscal Agent in respect of, and agrees that the Fiscal Agent shall not be liable for, any action that the Fiscal Agent takes, or abstains from taking, in either case in accordance with the conversion of Bail-inable Notes into common shares under subsection 39.2(2.3) of the CDIC Act.

(c) in relation to Subordinated Notes:

(i) the Issuer becomes insolvent or bankrupt or subject to the provisions of the WURA or any statute hereafter enacted in substitution therefor, as such Act or substituted Act, may be amended from time to time;

(ii) the Issuer goes into liquidation, either voluntary or under an order of a court of competent jurisdiction, passes a resolution for the winding-up, liquidation or dissolution of the Issuer, or is ordered wound-up; or

(iii) the Issuer otherwise acknowledges its insolvency.

Neither an NVCC Automatic Conversion upon the occurrence of a Non-Viability Trigger Event pursuant to Condition 10(a) nor a Bail-in Conversion shall constitute an Event of Default in relation to the Subordinated Notes. Following an NVCC Automatic Conversion no Holder of Notes shall have any rights against the Issuer with respect to repayment of the principal or, or interest on, the Subordinated Notes.

10. Automatic Conversion of Subordinated Notes on Non-Viability Trigger Event

This Condition 10 applies to Subordinated Notes only.

(a) *Non-Viability Trigger Event*

A “Non-Viability Trigger Event” has the meaning set out in the OSFI Guideline for Capital Adequacy Requirements (CAR), Chapter 2 – Definition of Capital, effective November 2018, as such term may be amended or superseded by OSFI from time to time, which term currently provides that each of the following constitutes a Non-Viability Trigger Event:

- (i) the Superintendent publicly announces that the Issuer has been advised, in writing, that the Superintendent is of the opinion that the Issuer has ceased, or is about to cease, to be viable and that, after the conversion of all contingent instruments and taking into account any other factors or circumstances that are considered relevant or appropriate, it is reasonably likely that the viability of the Issuer will be restored or maintained; or
- (ii) a federal or provincial government in Canada publicly announces that the Issuer has accepted or agreed to accept a capital injection, or equivalent support, from the federal government or any provincial government or political subdivision or agent or agency thereof without which the Issuer would have been determined by the Superintendent to be non-viable.

The date on which a Non-Viability Trigger Event occurs is a “Conversion Date”.

(b) *General Provisions relating to an NVCC Automatic Conversion*

In Converting, the Issuer may make any decisions with respect to the identity of the Noteholders at that time as may be necessary or desirable to ensure NVCC Automatic Conversion occurs in an orderly manner, including disregarding any transfer of Notes that have not been settled or registered at that time.

If a Subordinated Note is Converted, the Noteholder must immediately present and surrender the Subordinated Note (together, in the case of a Definitive Note, with such Receipts, Coupons and Talons as are attached thereto) to the specified office of, in the case of a Note in definitive form, any Paying Agent or, in the case of Notes that are a Registered Note, the Registrar and the Paying Agent or Registrar (as the case may be) shall cancel or arrange for the cancellation of such Subordinated Note, but no failure or delay in such presentation and surrender and cancellation shall prevent, impede or delay the NVCC Automatic Conversion of Subordinated Notes required by Condition 10(c).

The tax consequences of holding Common Shares following an NVCC Automatic Conversion will likely be different for most categories of holders from the tax consequences for them of holding Subordinated Notes. Each prospective investor should consult their own tax advisor regarding the tax consequences of a conversion of the Subordinated Notes into Common Shares.

(c) *Automatic Conversion of Subordinated Notes*

Notwithstanding any other provisions in these Conditions, upon the occurrence of a Non-Viability Trigger Event, the Subordinated Notes will convert automatically and immediately (the expressions “NVCC Automatic Conversion” and “Convert”, “Converted” and “Converting” when used herein have corresponding meanings), on a full and permanent basis, into fully paid common shares of the Issuer (“**Common Shares**”) (in a number determined under 1.2(a) of the Schedule to these Conditions). The NVCC Automatic Conversion will occur in accordance with the terms set out in the Schedule to these Conditions.

An NVCC Automatic Conversion is deemed to be effected immediately following the occurrence of a Non-Viability Trigger Event and the rights of the holder of such Subordinated Notes as the holder thereof shall cease at such time and the person or persons entitled to receive Common Shares upon an NVCC Automatic Conversion shall be treated for all purposes as having become the holder or holders of record of such Common Shares at such time.

(d) ***Trigger Event Notice***

As promptly as practicable after the occurrence of a Non-Viability Trigger Event, the Issuer shall give notice of the Non-Viability Trigger Event (a “**Trigger Event Notice**”) to the Holders in accordance with Condition 14 and the Fiscal Agent and the notice must state the Conversion Date.

From and after the NVCC Automatic Conversion, the Subordinated Notes shall cease to be outstanding, the holders thereof shall cease to be entitled to interest thereon and any Notes in definitive form or Global Notes shall represent only the right to receive upon surrender thereof certificates representing the applicable number of Common Shares determined in accordance with Condition 10(c).

An NVCC Automatic Conversion shall be mandatory and binding upon both the Issuer and all holders of the Subordinated Notes notwithstanding anything else including, without limitation:

- (i) any prior action to or in furtherance of a redemption of the Subordinated Notes pursuant to Condition 5(d)(ii); and
- (ii) any delay or implementation of the issuance or delivery of the Common Shares to the holders of the Subordinated Notes.

(e) ***Right Not to Deliver Common Shares***

Upon an NVCC Automatic Conversion, the Issuer reserves the right not to deliver some or all, as applicable, of the Common Shares issuable thereupon to any Ineligible Person or any person who, by virtue of the operation of the NVCC Automatic Conversion, would become a Significant Shareholder through the acquisition of Common Shares. In such circumstances, the Issuer will hold, as agent for such persons, the Common Shares that would have otherwise been delivered to such persons and will attempt to facilitate the sale of such Common Shares to parties other than the Issuer and its Affiliates on behalf of such persons through a registered dealer to be retained by the Issuer on behalf of such persons. Those sales (if any) may be made at any time and at any price. The Issuer will not be subject to any liability for failure to sell such Common Shares on behalf of such persons or at any particular price on any particular day. The net proceeds received by the Issuer from the sale of any such Common Shares will be divided among the applicable persons in proportion to the number of Common Shares that would otherwise have been delivered to them upon the NVCC Automatic Conversion after deducting the costs of sale and any applicable withholding taxes.

(f) ***Definitions***

For the purposes of these Conditions:

“**Ineligible Person**” means (i) any persons whose address is in, or whom the Issuer or its transfer agent has reason to believe is a resident of, any jurisdiction outside Canada to the extent that the issuance by the Issuer or delivery by its transfer agent to a person pursuant to an NVCC Automatic Conversion, of Common Shares would require the Issuer to take any action to comply with securities, banking or analogous laws of that jurisdiction, and (ii) any person to the extent that the issuance by the issuer or delivery by its transfer agent to that person, pursuant to an NVCC Automatic Conversion, of Common Shares would cause the Issuer to be in violation of any law to which the Issuer is subject; and

“**Significant Shareholder**” means any person who beneficially owns directly, or indirectly through entities controlled by such person or persons associated with or acting jointly or in concert with such person, a percentage of the total number of outstanding shares of a class of the Issuer that is in excess of that permitted by the *Bank Act* (Canada).

11. Meeting of Noteholders and Modifications

(a) ***Meetings of Noteholders***

The Agency Agreement contains provisions for convening meetings of Noteholders (or the holders of Notes of any one or more Series) (including by way of conference call or by use of a videoconference platform) to consider any matter affecting their interests, including modification by Extraordinary Resolution (as defined in

the Agency Agreement) of the Notes (including these Conditions insofar as the same may apply to such Notes). An Extraordinary Resolution passed by the Noteholders, provided it is at a duly convened meeting at which quorum was achieved, will be binding on all the Noteholders, whether present or not at any meeting and whether or not they voted on the resolution, and on all relevant Receiptholders and Couponholders, except that without the consent and affirmative vote of each Noteholder no Extraordinary Resolution may: (i) amend the dates of maturity or redemption of the Notes, any Instalment Date or any date for payment of interest thereon, (ii) reduce or cancel the principal amount or any Instalment Amount of, or any premium payable on redemption of, the Notes, (iii) reduce the rate or rates of interest in respect of the Notes or vary the method or basis of calculating the Interest Amount in respect thereof, (iv) if a Minimum Interest Rate, a Maximum Interest Rate, Instalment Amount or Redemption Amount is specified in the applicable Final Terms, reduce any such Minimum Interest Rate, Maximum Interest Rate, Instalment Amount and/or Redemption Amount, as the case may be, (v) change any method of calculating the Redemption Amount, (vi) save as provided in Condition 6(j), change the currency or currencies of payment or denomination of the Notes, (vii) take any steps which as specified herein may only be taken following approval by an Extraordinary Resolution to which the special quorum provisions apply, or (viii) modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass the Extraordinary Resolution and will only be binding if passed at a meeting of the Noteholders (or at any adjournment thereof) at which a special quorum (provided for in the Agency Agreement) is present.

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

(b) *Modification of Agency Agreement*

The Agency Agreement, the Notes and any Receipts and Coupons attached to the Notes may be amended by the Issuer and the Fiscal Agent without the consent of the holder of any Note, Receipt or Coupon (i) for the purpose of correcting a manifest or proven error or curing any ambiguity, or for curing, correcting or supplementing any defective provision contained therein, (ii) to make any further modifications of the terms of the Agency Agreement necessary or desirable to allow for the issuance of any additional Notes (which modifications shall not be materially adverse to holders of outstanding Notes) or (iii) in any manner which the Issuer and the Fiscal Agent may deem necessary or desirable and which shall not materially adversely affect the interests of the holders of the Notes, Receipts and Coupons.

(c) *Written Resolutions*

The Agency Agreement provides that a written resolution signed by or on behalf of the Noteholders of not less than 75 per cent. in nominal amount of Notes outstanding shall be as valid and effective as a duly passed Extraordinary Resolution.

(d) *Bail-inable Notes or Subordinated Notes*

Notwithstanding anything in this Condition 11, where any amendment, modification or other variance of any Bail-inable Notes or Subordinated Notes may affect their recognition by the Superintendent as TLAC, under the guidelines for TLAC for banks in Canada (in the case of Bail-inable Notes) or as regulatory capital under the guidelines for capital adequacy requirements for banks in Canada (in the case of Subordinated Notes), in addition to such other approvals as may be required under the Conditions, such amendment, modification or variance will require the prior approval of the Superintendent.

12. *Replacement of Notes, Certificates, Receipts, Coupons and Talons*

If a Note, Certificate, Receipt, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, listing authority and stock exchange regulations, at the specified office of the Fiscal Agent (in the case of Bearer Notes, Receipts, Coupons or Talons) and the Registrar (in the case of Certificates) or such other Paying Agent or Transfer Agent, as the case may be, as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Noteholders in accordance with Condition 14, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, inter alia, that if the allegedly lost, stolen or destroyed Note, Certificate, Receipt, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there will be paid to the Issuer on demand the amount payable by the Issuer in respect of such Notes, Certificates, Receipts, Coupons or further Coupons) and otherwise as the Issuer

may require. Mutilated or defaced Notes, Certificates, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

13. Further Issues

The Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further notes having the same terms and conditions as the Notes except as regards the issue date, the issue price and/or the payment of interest accruing prior to the Issue Date of such additional Notes or the payment of interest following the Issue Date and so that the same shall be consolidated and form a single series with such Notes, and references in these Conditions to “Notes” shall be construed accordingly.

14. Notices

Notices to holders of Registered Notes will be deemed to be validly given if sent by first class mail or (if posted to an overseas address) by air mail to them (or the first named of joint holders) at their respective addresses as recorded in the Register and will be deemed to have been validly given on the fourth weekday after the date of such mailing and, in addition, for so long as any Registered Notes are listed on a stock exchange or are admitted to trading by another relevant authority and the rules of that stock exchange or relevant authority so require, a copy of such notice will be published in a daily newspaper of general circulation in the place or places required by those rules.

Notices to the holders of Bearer Notes will be valid if published in a daily newspaper of general circulation in Asia (which is expected to be the Asian Wall Street Journal). The Issuer shall also ensure that notices are duly published in a manner which complies with the rules of any stock exchange or other relevant authority on which the Notes are for the time being listed or by which they have been admitted to trading. Any such notice will be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of the first publication in all required newspapers. If publication as provided above is not practicable, a notice will be given in such other manner, and will be deemed to have been given on such date, as the Issuer shall approve.

Couponholders shall be deemed for all purposes to have notice of the contents of any notice to the holders of Bearer Notes in accordance with this Condition 14.

Notices to be given by any Noteholder shall be in writing and given by lodging the same, together with the relative Note or Notes, with the Fiscal Agent.

15. Currency Indemnity

Save as provided in Condition 6(k), any amount received or recovered in a currency other than the currency in which payment under the relevant Note, Coupon or Receipt is due (whether as a result of, or of the enforcement of, a judgment or order of a court of any jurisdiction in the winding-up or dissolution of the Issuer or otherwise) by any Noteholder or Couponholder in respect of any sum expressed to be due to the recipient from the Issuer shall only constitute a discharge to the Issuer to the extent of the amount in the currency of payment under the relevant Note, Coupon or Receipt which the recipient is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so). If the amount received or recovered is less than the amount expressed to be due to the recipient under any Note, Coupon or Receipt, the Issuer shall indemnify the recipient against any loss sustained by the recipient as a result. In any event, the Issuer shall indemnify the recipient against the cost of making any such purchase. If the amount received or recovered is more than the amount expressed to be due to the recipient under any Note, Coupon or Receipt (after taking into account the costs of making any such purchase), the recipient shall pay the amount of such excess to the Issuer. For the purposes of this Condition, it will be sufficient for the Noteholder or Couponholder, as the case may be, to demonstrate that such Noteholder or Couponholder, as the case may be, would have suffered a loss had an actual purchase been made. These indemnities constitute a separate and independent obligation from the Issuer’s other obligations, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by any Noteholder or Couponholder and shall continue in full force and effect despite any other judgment, order, claim or proof for a liquidated amount in respect of any sum due under any Note, Coupon or Receipt or any other judgment or order.

16 Waiver of set-off and netting rights

This Condition 16 applies to Bail-inable Notes only.

No Noteholder or beneficial owner of an interest in the Bail-inable Notes may exercise, or direct the exercise, claim or plead any right of set-off, netting, compensation or retention in respect of any amount owed to it by the Issuer arising under, or in connection with, the Bail-inable Notes, and each Noteholder or beneficial owner of an interest in the Bail-inable Notes shall, by virtue of its acquisition of any Bail-inable Note (or an interest therein), be deemed to have irrevocably and unconditionally waived all such rights of set-off, netting, compensation or retention. Notwithstanding the foregoing, if any amounts due and payable to any Noteholder or beneficial owner of an interest in the Bail-inable Notes by the Issuer in respect of, or arising under, the Bail-inable Notes are purportedly discharged by set-off, netting, compensation or retention, without limitation to any other rights and remedies of the Issuer under applicable law, such Noteholder or beneficial owner of an interest in the Bail-inable Notes shall be deemed to receive an amount equal to the amount of such discharge and, until such time as payment of such amount is made, shall hold such amount in trust for the Issuer and, accordingly, any such discharge shall be deemed not to have taken place and such set-off, netting, compensation or retention shall be ineffective.

17. Governing Law; Submission to Jurisdiction

The Notes, the Receipts, the Coupons and the Talons are governed by, and shall be construed in accordance with, the laws of the Province of Ontario and the laws of Canada applicable therein. The relevant agreements relating to the Programme are governed by the laws of the Province of Ontario and the laws of Canada applicable therein. The parties have not exclusively submitted in the relevant agreements to the courts in Canada and the choice of Ontario and Canadian law does not limit or restrict (i) legal proceedings to the courts of Ontario or of Canada or (ii) the commencement of legal proceedings in other appropriate jurisdictions. By its acquisition of an interest in any Bail-inable Notes, each Noteholder or beneficial owner of any Bail-inable Notes is deemed to attorn and submit to the jurisdiction of the courts in the Province of Ontario with respect to actions, suits and proceedings arising out of or relating to the operation of the CDIC Act and the laws of the Province of Ontario and the federal laws of Canada applicable therein in respect of the senior debt securities indenture and the Bail-inable Notes. If legal proceedings were commenced in Ontario in relation to the Programme, it is likely that they would be commenced in the Ontario Superior Court of Justice.

SCHEDULE

SUBORDINATED NOTE CONVERSION MECHANISMS

These provisions apply to Subordinated Notes only.

1.1 Definitions

For the purposes of Condition 10 and this Schedule, the following expressions have the following meanings:

“**Bank’s Auditors**” means an independent firm or firms of accountants duly appointed as auditors of the Issuer.

“**Common Share Reorganisation**” means (i) the issuance of Common Shares or securities exchangeable for or convertible into Common Shares to all holders of Common Shares as a stock dividend, (ii) the subdivision, re-division or change of the Common Shares into a greater number of Common Shares, or (iii) the reduction, combination or consolidation of the Common Shares into a lesser number of Common Shares.

“**Conversion Price**” means the greater of:

- (i) the Current Market Price of a Common Share on the Conversion Date; and
- (ii) the Floor Price.

“**Current Market Price**” means the volume weighted average trading price of the Common Shares on the Toronto Stock Exchange (the “**TSX**”) measured in Canadian dollars, or, if not then listed on the TSX, on another exchange or market chosen by the board of directors of the Issuer on which the Common Shares are then traded, for the ten consecutive trading days ending on the trading immediately prior to the Conversion Date (with the conversion occurring as of the start of business on the Conversion Date). If no such trading prices are available, “Current Market Price” shall be the Floor Price.

“**Floor Price**” means CAD5.00, subject to adjustment thereafter in accordance with 1.3 and 1.4 of this Schedule.

“**Multiplier**” means 1.5 unless otherwise specified in the applicable Final Terms.

“**Note Value**” means the nominal amount of a Subordinated Note plus accrued and unpaid interest on such Subordinated Note as of the date of the Conversion Date translated where required from the Specified Currency into Canadian dollars at the then Prevailing Exchange Rate.

“**Prevailing Exchange Rate**” means in respect of any currency, unless otherwise specified in the applicable Final Terms, the indicative rate of exchange between the relevant currencies (in Canadian dollars per Specified Currency) reported by the Bank of Canada, on the date immediately preceding the Conversion Date (or if not available on such date, the date on which such indicative rate was last applicable prior to such date). If such exchange rate is no longer reported by the Bank of Canada, the relevant exchange rate shall be the simple average of the closing exchange rate between the relevant currencies (in Canadian dollars per Specified Currency) quoted at approximately the Specified Time, on such date by three major banks selected by the Issuer.

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

1.2 Automatic Conversion

(a) If the Issuer must Convert a Subordinated Note in accordance with Condition 10(c) then the number of fully paid Common Shares into which such Subordinated Note is Converted (the “Conversion Number”) will be calculated in accordance with the following formula:

$$\frac{\text{Multiplier} \times \text{Note Value}}{\text{Conversion Price}}$$

rounding down, if necessary, to the nearest whole number of Common Shares.

(b) Fractions of Common Shares will not be issued following an NVCC Automatic Conversion and no cash payment will be made in lieu thereof.

(c) Upon an NVCC Automatic Conversion, any accrued but unpaid interest will be added to the nominal amount of the Subordinated Notes and such accrued but unpaid interest, together with the nominal amount of the Subordinated Notes, will be deemed repaid in full by the issuance of the Common Shares upon such NVCC Automatic Conversion and the Noteholders shall have no further rights and the Issuer shall have no further obligations under the Subordinated Notes or the Deed of Covenant in respect of the Subordinated Notes.

(d) Neither the Issuer nor any of its subsidiaries shall be liable for any stamp duty, stamp duty reserve duty, or any other capital, issue, transfer, registration, financial transaction or documenting tax that may arise or be paid as a consequence of the delivery of Common Shares, which tax shall be borne solely by the Noteholder.

1.3 Capital Reorganisation, Consolidation, Mergers, Amalgamations or Comparable Transactions

In the event of a capital reorganisation, consolidation, merger or amalgamation of the Issuer or comparable transaction affecting the Common Shares, the Issuer will take necessary action to ensure that the Noteholders receive, pursuant to an NVCC Automatic Conversion, the number of Common Shares or other securities that such Noteholders would have received if the NVCC Automatic Conversion occurred immediately prior to the record date for such event.

1.4 Adjustments

(a) In the event of a Common Share Reorganisation, the Floor Price shall be adjusted so that it will equal the price determined by multiplying the Floor Price in effect immediately prior to such effective date or record date of such event by a fraction:

- (1) the numerator of which will be the total number of Common Shares outstanding on such effective date or record date before giving effect to such Common Share Reorganisation; and
- (2) the denominator of which will be the total number of Common Shares outstanding immediately after giving effect to such Common Share Reorganisation (including, in the case where securities exchangeable for or convertible into Common Shares are distributed, the number, without duplication, of Common Shares that would have been outstanding had all such securities been exchanged for or converted into Common Shares on such effective date or record date).

The adjustment shall be calculated to the nearest one-tenth of one cent provided that no adjustment of the Floor Price shall be required unless such adjustment would require an increase or decrease of at least 1 per cent. of the Conversion Price then in effect; provided, however, that in such case any adjustment that would otherwise be required then to be made will be carried forward and will be made at the time of and together with the next subsequent adjustment which, together with any adjustments so carried forward, will amount to at least one per cent. (1 per cent.) of the Conversion Price.

(b) In any case in which paragraphs 1.3 or 1.4 require that an adjustment will become effective immediately after a record date for an event referred to therein or herein, the Issuer may defer, until the occurrence of such event, issuing to the holders of any Subordinated Notes upon a NVCC Automatic Conversion occurring after such record date and before the occurrence of such event, any additional Common Shares issuable upon such conversion by reason of the adjustment required by such event; provided, however, that the Issuer will deliver to such holder evidence of such holder's right to receive such additional Common Shares upon the occurrence of such event and the right to receive any dividends or other distributions made on such additional Common Shares declared in favour of holders of record of Common Shares on and after the date of the NVCC Automatic Conversion or such later date on which such holder would, but for the provisions of this paragraph 1.4(b), have become the holder of record of such additional Common Shares.

(c) If at any time a dispute arises with respect to adjustments provided for in the Floor Price definition of Conversion Price or in paragraph 1.3, such dispute shall be conclusively determined, subject to the consent if required, by the Toronto Stock Exchange and any other stock exchange on which the Common Shares are then listed, by the Issuer's Auditors, or if they are unable or unwilling to act, by such other firm of independent chartered accountants as may be selected by action of the board of directors of the Issuer and any such determination shall be binding upon the Issuer, the Noteholders and the other shareholders of the Issuer. Such auditors or accountants shall be given access to all necessary records of the Issuer.

(d) If the Issuer sets a record date to take any action that would require an adjustment provided for in paragraphs 1.3 or 1.4 and before the taking of such action, the Issuer abandons its plan to take such action, then no such adjustment shall be made.

(e) The Issuer will from time to time, immediately after the occurrence of any Common Share Reorganisation or other event that requires an adjustment or readjustment as provided in paragraph 1.3 or 1.4, deliver an officer's certificate of the Issuer to the Fiscal Agent specifying the nature of the event requiring the same and the amount of the adjustment or readjustment necessitated thereby and setting forth in reasonable detail the method of calculation and the facts upon which such calculation is based. Such officers' certificate of the Issuer and the amount of the adjustment or readjustment specified therein will be conclusive and binding on all parties in interest. Except in respect of any Common Share Reorganisation, the Issuer will forthwith give notice to the Noteholders in accordance with Condition 14 specifying the event requiring such adjustment or readjustment and the amount thereof, including the resulting Floor Price.

1.5 General

(a) If tax is required to be withheld from any payment of interest in the form of Common Shares specified in paragraph 1.2(c) above, the number of Common Shares received by a holder of Subordinated Notes shall reflect an amount net of any applicable withholding tax.

(b) Notwithstanding any other provision of the Notes, the conversion of the Subordinated Notes in connection with an NVCC Automatic Conversion shall not be an Event of Default and the only consequence of a Non-Viability Trigger Event shall be the conversion of such Notes into Common Shares.

SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM

Initial Issue of Notes

The Notes may be issued in bearer form only, in bearer form exchangeable for Registered Notes or in registered form only. Each Tranche of Bearer Notes having an original maturity of more than one year will initially be represented by a Temporary Bearer Global Note and each Tranche of Bearer Notes having an original maturity of one year or less will initially be represented by a Permanent Bearer Global Note, in each case, in bearer form without Coupons, Receipts or Talons attached. The relevant Bearer Global Note will be delivered on or prior to the issue date thereof to a common depository on behalf of Euroclear and/or Clearstream, Luxembourg (the “**Common Depository**”) or any other agreed clearing system.

Notes issued in registered form will be represented by Certificates, one Certificate being issued in respect of each Noteholder’s entire holding of Registered Notes of one Series (subject to the provisions of the Agency Agreement). Registered Notes which are held in Euroclear and/or Clearstream, Luxembourg will be registered in the name of a nominee for such system or a common nominee for both systems and the relative Certificate(s) will be delivered to the appropriate depository or a Common Depository, as the case may be. Upon the initial deposit of a Bearer Global Note with the Common Depository, or the initial registration in the name of nominees for Euroclear and/or Clearstream, Luxembourg or such other clearing system as may be agreed between the Issuer, the relevant Dealer, the Fiscal Agent and the Registrar (if applicable), or a common nominee, and delivery of the relative Global Certificate(s) to the appropriate depositories, or a Common Depository, for Euroclear or Clearstream, Luxembourg (or such other clearing system as may be agreed to between the Issuer, the relevant Dealer, the Fiscal Agent and the Registrar (if applicable) (each an “**Approved Intermediary**”)) will credit each subscriber with a principal amount of Notes equal to the principal amount thereof for which it has subscribed and paid.

The amount of the Notes shall be the aggregate principal amount from time to time entered in the records of Euroclear and/or Clearstream, Luxembourg. The records of such clearing system shall be conclusive evidence of the principal amount of Notes represented by the Bearer Global Note and a statement issued by such clearing system at any time shall be conclusive evidence of the records of the relevant clearing system at that time. Any reference to Euroclear or Clearstream, Luxembourg, whenever the context so permits, shall be deemed to include a reference to any additional or alternative clearing system as may be agreed to between the Issuer, the relevant Dealer, the Fiscal Agent and the Registrar (if applicable).

Bail-in Conversion

Upon a Bail-in Conversion, the Issuer will provide a written notice to each relevant clearing system and the holders of Bail-inable Note(s) through such clearing system as soon as practicable regarding such Bail-in Conversion. The Issuer will also deliver a copy of such notice to the Fiscal Agent and the Registrar for information purposes.

By its acquisition of an interest in any Bail-inable Note(s), each holder or beneficial owner of such Bail-inable Note(s) is deemed to have authorized, directed and requested the relevant clearing system and any direct participant in such clearing system or other intermediary through which it holds such Bail-inable Note(s) to take any and all necessary action, if required, to implement the Bail-in Conversion or other action pursuant to the Bail-in Regime with respect to the Bail-inable Note(s), as it may be imposed on it, without any further action or direction on the part of that holder or beneficial owner, the Fiscal Agent or the Registrar.

Relationship of Accountholders with Clearing Systems

For so long as any of the Notes is represented by a Bearer Global Note or a Global Certificate held on behalf of Euroclear and/or Clearstream, Luxembourg, each person (other than Euroclear or Clearstream, Luxembourg) who for the time being is shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a particular principal amount of such Note (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the principal amount of such Note standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest or proven error) shall be treated by the Issuer, and any Paying Agent as the holder of such principal amount in accordance with and subject to the terms of the relevant Bearer Global Note or Global Certificate and the expressions “**Noteholder**” and “**holder**” related expressions shall be construed accordingly.

Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg or such Approved Intermediary as the holder of a Note represented by a Bearer Global Note or a Global Certificate must look solely to Euroclear or Clearstream, Luxembourg or such Approved Intermediary (as the case may be) for his or her share of each payment made by the Issuer, to the bearer of such Bearer Global Note or the registered holder of the Global Certificate, as the case may be, and in relation to all other rights arising under the Bearer Global Notes or Global Certificates, subject to and in accordance with the respective rules and procedures of Euroclear or Clearstream, Luxembourg or such Approved Intermediary (as the case may be). Such persons shall have no claim directly against the Issuer, in respect of payments due on the Notes for so long as the Notes are represented by such Bearer Global Note or Global Certificate and such obligations of the Issuer, will be discharged by payment to the bearer of such Bearer Global Note or the registered holder of the Global Certificate, as the case may be, in respect of each amount so paid.

By its acquisition of an interest in a Bail-inable Note, each Noteholder or beneficial owner of an interest in a Bail-inable Note is deemed to have authorised, directed and requested Euroclear and Clearstream, Luxembourg and any direct participant in such clearing system or other intermediary through which it holds the Bail-inable Note to take any and all necessary action, if required, to implement the Bail-in Conversion or any other action pursuant to the Bail-in Regime with respect to the Bail-inable Note, as may be imposed on it, without any further action or direction on the part of that Noteholder or beneficial owner or the Paying Agents, except as required in accordance with the rules and procedures for the time being of Euroclear and/or Clearstream, Luxembourg and/or the intermediary, as applicable.

Amendment to Conditions

The Temporary Bearer Global Notes, Permanent Bearer Global Notes and Global Certificates contain provisions which apply to the Notes which they represent, some of which modify the effect of the terms and conditions of the Notes set out in this document. The following is a summary only of certain of those provisions:

Exchange. Each Temporary Bearer Global Note will be exchangeable in whole or in part for interests in a Permanent Bearer Global Note or, if so provided in a Temporary Bearer Global Note, for definitive Bearer Notes (as described in the next paragraph) after the date falling not earlier than 40 days after the Issue Date of the Notes upon certification as to non-U.S. beneficial ownership (and, in the case of any Notes where the Subscription Agreement specifies that the applicable TEFRA exemption is “**HIRE Act Rules**” also any other requirements specified as requisite to such an exchange in the Final Terms with respect to such Note) in the form set out in the Agency Agreement in the case of Bearer Notes or, in the case of Exchangeable Bearer Notes, for Certificates any time after the Issue Date in the case of Registered Notes. Each Permanent Bearer Global Note is exchangeable in whole (or, in the case of Partly Paid Notes only, in part) at the request of the holder (i) if so provided in a Permanent Bearer Global Note, or (ii) if a Permanent Bearer Global Note is held on behalf of Euroclear or Clearstream, Luxembourg and either of such clearing systems is closed for business for a continuous period of at least 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or in fact does so, or (iii) if an event of default has occurred and continues to occur in relation to the Notes represented thereby, at the cost and expense of the Issuer, for definitive Bearer Notes or (in the case of Exchangeable Bearer Notes) Certificates by such holder giving notice to the Fiscal Agent, or by the Issuer giving notice to the Fiscal Agent and the relevant Noteholders of its intention to exchange (at the option, cost and expense of the Issuer) such Permanent Bearer Global Note for definitive Bearer Notes or (in the case of Exchangeable Bearer Notes) Certificates, in each case on or after the Exchange Date specified in the notice.

On or after any Exchange Date (as defined below) the holder of a Permanent Bearer Global Note may surrender such Permanent Bearer Global Note to the Fiscal Agent (or, in the case of a partial exchange of Partly Paid Notes only, present it for endorsement to or to the order of the Fiscal Agent). In exchange for any Permanent Bearer Global Note, or the part thereof to be exchanged in the case of Partly Paid Notes only, the Issuer will deliver, or procure the delivery of, an equal aggregate principal amount of duly executed and authenticated definitive Bearer Notes (if appropriate, having attached to them all Coupons and Receipts in respect of interest or Instalment Amounts which have not already been paid on the Permanent Bearer Global Note and a Talon), or, in the case of Exchangeable Bearer Notes, the relevant Certificate security printed in accordance with any applicable legal and stock exchange or regulatory authority requirements and in or substantially in the form set out in Schedule 2 to the Agency Agreement. On exchange in full of each Permanent Bearer Global Note, the Issuer will, if the holder so requests, procure that such Bearer Global Note is cancelled and returned to the holder together with the relevant definitive Bearer Notes or, in the case of Exchangeable Bearer Notes, the relevant Certificate.

“**Exchange Date**” means a day falling not less than 60 days after that date 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 Fiscal Agent is located and, except in the case of an exchange pursuant to (ii) above, in the cities in which the relevant clearing system is located.

The exchange of a Permanent Bearer Global Note for definitive Notes at the request of any holder should not be expressed to be applicable in the applicable Final Terms if the Notes are issued with a minimum Specified Denomination of at least €100,000 (or its equivalent in another currency) plus one or more higher integral multiples of another smaller amount (such as 1,000) in the relevant currency. Furthermore, such Specified Denomination construction is not permitted in relation to any issue of Notes which is to be represented on issue by a Temporary Bearer Global Note exchangeable for definitive Notes.

Payments. No payment falling due more than 40 days after the Issue Date will be made on a Temporary Bearer Global Note unless exchange for an interest in a Permanent Bearer Global Note or for definitive Bearer Notes or Certificates is improperly withheld or refused. Payments on any Temporary Bearer Global Note during the period up to 40 days after its Issue Date will only be made against presentation of certification as to non-U.S. beneficial ownership in the form required by the clearing systems. All payments in respect of Notes represented by a Bearer Global Note will be made against presentation for endorsement and, if no further payment is to be made in respect of the Notes, surrender of that Bearer Global Note to or to the order of the Fiscal Agent or such other Paying Agent as shall have been notified to the Noteholders for such purpose. In respect of Bearer Notes, a record of each payment so made will be endorsed in the appropriate schedule to each Bearer Global Note, which endorsement will be prima facie evidence that such payment has been made in respect of the Notes.

Following redenomination of any Notes pursuant to Condition 6(j), the amount of interest due in respect of such Notes represented by a Bearer Global Note or Global Certificate, as the case may be, will be calculated by reference to the aggregate principal amount of such Notes and the amount of such payment shall be rounded down to the nearest euro 0.01.

Notices. So long as any Notes are represented by a Bearer Global Note or Global Certificate and such Bearer Global Note or Global Certificate is held on behalf of Euroclear or Clearstream, Luxembourg, notices to Noteholders of that Series may be given by delivery of the relevant notice to Euroclear or Clearstream, Luxembourg for communication by it to entitled accountholders in substitution for publication or mailing, as applicable as required by the Conditions or by delivery of the relevant notice to the holder of the Bearer Global Note or Global Certificate. Any such notice shall be deemed to have been given to the holders of the Notes on the day on which such notice was given to Euroclear or Clearstream, Luxembourg, as applicable.

Notices to be given by any Noteholder may be given to the Fiscal Agent through Euroclear and/or Clearstream, Luxembourg, as the case may be, in such manner as the Fiscal Agent and Euroclear and/or Clearstream, Luxembourg, as the case may be, may approve for this purpose.

Prescription. Claims against the Issuer for payment in respect of any Notes shall be prescribed and become void unless made within a period of 2 years from the appropriate Relevant Date (as defined in Condition 7).

Meetings. The holder of a Bearer Global Note or a Global Certificate will be treated as being two persons for the purposes of any quorum requirements of a meeting of Noteholders and, at any such meeting, as having one vote in respect of each minimum denomination of Notes for which such Bearer Global Note or Global Certificate may be exchanged.

Purchase and Cancellation. Cancellation of any Note surrendered for cancellation following its purchase will be effected by reduction in the principal amount of the relevant Bearer Global Note or relevant Registered Notes represented by a Global Certificate.

Default. Each Bearer Global Note and a Global Certificate provides that the holder may cause such Bearer Global Note, or a portion of it, or one or more Registered Notes represented by such Global Certificate to become due and repayable in the circumstances described in, and as limited by the restrictions set forth in, Condition 9 by stating in the notice to the Fiscal Agent the principal amount of such Bearer Global Note or one or more Registered Notes which will become due and repayable. Following the giving of a notice of an event of default by or through a common depositary for Euroclear and/or Clearstream, Luxembourg or if the holder of a Bearer Global Note so elects, the Bearer Global Note or Registered Notes represented by the Global Certificate

will become void as to the specified portion and the persons entitled to such portion as accountholders with Euroclear or Clearstream, Luxembourg will acquire direct enforcement rights against the Issuer under the terms of the Deed of Covenant.

Issuer's Option. No drawing of Notes will be required under Condition 5 in the event that the Issuer exercises any option relating to those Notes while all such Notes which are outstanding are represented by a Permanent Bearer Global Note. In the event that any option of the Issuer is exercised in respect to some but not all of the Notes of any Series, the rights of accountholders with Euroclear or Clearstream, Luxembourg or such Approved Intermediary (as the case may be) in respect of the Notes will be governed by the standard procedures of Euroclear or Clearstream, Luxembourg or such Approved Intermediary (as the case may be) and this shall be reflected in the records of Euroclear or Clearstream, Luxembourg as either a pool factor or a reduction in principal amount at their discretion.

Noteholders' Option. Any Noteholders' option may be exercised by the holder of a Global Note giving notice to the Fiscal Agent or the Registrar, as applicable, of the principal amount of Notes in respect of which the option is exercised within the notice period in accordance with the standard procedures of the clearing systems (which may include notice being given on the Noteholder's instruction by the relevant clearing system or any common depository, as the case may be, for them to be delivered to the Fiscal Agent or the Registrar, as the case may be, by electronic means) in a form acceptable to the relevant clearing systems from time to time.

Partly Paid Notes. The provisions relating to Partly Paid Notes will be contained in the Bearer Global Notes. For so long as any instalments of the subscription moneys due from the holder of Partly Paid Notes are due, no interest in a Bearer Global Note representing such Notes may be exchanged for an interest in a Permanent Bearer Global Note or for definitive Bearer Notes (as the case may be). In the event that any Noteholder fails to pay any instalment due on any Partly Paid Notes within the time specified, the Issuer may be entitled to forfeit such Notes and shall have no further obligation to their holder in respect of them.

Integral multiples of less than SGD200,000 (or the equivalent of such amounts in another currency as at the date of issue of the Notes). So long as the Notes are represented by a Temporary Bearer Global Note or Permanent Bearer Global Note or a Global Certificate and the relevant clearing system(s) so permit, the Notes shall be tradeable only in principal amounts of at least the Specified Denomination (or if more than one Specified Denomination, the lowest Specified Denomination) as provided in the applicable Final Terms and higher integral multiples of at least 1,000 in the relevant currency if specified in the applicable Final Terms (the "**Integral Amount**"). If a Bearer Global Note or Global Certificate is exchangeable for definitive Notes at the option of the Noteholder or the Issuer, the Notes shall be tradeable only in principal amounts of at least the Specified Denomination (or if more than one Specified Denomination, the lowest Specified Denomination).

Written Resolution and Electronic Consent. While any Note is held on behalf of a clearing system, then:

- (i) *Electronic Consent:* Where the terms of the resolution proposed by the Issuer have been notified to the Noteholders through the relevant clearing system(s), the Issuer shall be entitled to rely upon approval of such resolution given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) in accordance with their operating rules and procedures by or on behalf of the holders of not less than 75 per cent. in principal amount of the Notes outstanding ("**Electronic Consent**") by close of business on the date by which such electronic consents must be received in order of them to be validly given.
- (ii) *Written Resolution:* Where Electronic Consent is not being sought, for the purpose of determining whether a Written Resolution has been validly passed, the Issuer shall be entitled to rely on consent or instructions given in writing directly to the Issuer and/or the Fiscal Agent, as the case may be, (a) by accountholders in the clearing system(s) with entitlements to such Note (b) where the accountholders hold any such entitlement on behalf of another person, on written consent from or written instruction by the person identified by that accountholder as the person for whom such entitlement is held.

USE OF PROCEEDS

Unless otherwise indicated in the applicable Final Terms, the net proceeds from each issue of Notes will be added to the general funds of the Issuer. Except as otherwise set out in the applicable Final Terms, the purpose of an issue of Subordinated Notes will be to enlarge the Issuer's capital base.

CERTAIN TAX LEGISLATION AFFECTING THE NOTES

Canada

The following summary describes the principal Canadian federal income tax considerations generally applicable to a holder of Notes who acquires, as beneficial owner, Notes pursuant to this Prospectus or common shares of the Issuer or any affiliate of the Issuer on a Bail-in Conversion (“**Common Shares**”) or NVCC Automatic Conversion (each, a “**Conversion**”), and who, at all relevant times, for the purposes of the application of the *Income Tax Act* (Canada) (the “**Tax Act**”): (a) is not resident and is not deemed to be resident in Canada; (b) is not affiliated with the Issuer and deals at arm’s length with the Issuer, any issuer of Common Shares, and any transferee resident (or deemed to be resident) in Canada to whom the holder disposes of Notes; (c) does not use or hold Notes or Common Shares, including Common Shares received on a Conversion, in or in the course of carrying on a business in Canada; (d) is entitled to receive all payments (including any interest and principal) on the Notes as beneficial owner; (e) is not a “specified non-resident shareholder” of the Issuer for purposes of the Tax Act or a non-resident person not dealing at arm’s length with a “specified shareholder” (within the meaning of Subsection 18(5) of the Tax Act) of the Issuer; and (f) is not an insurer that carries on an insurance business in Canada and elsewhere (a “**Non-resident Holder**”).

This summary is based upon the provisions of the Tax Act and the regulations thereunder (the “**Regulations**”) in force on the date hereof and an understanding of the current administrative practices and assessing policies of the Canada Revenue Agency. This summary takes into account all specific proposals to amend the Tax Act and Regulations publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (each a “**Proposed Amendment**” and collectively, the “**Proposed Amendments**”) and assumes that all Proposed Amendments will be enacted in the form proposed. However, no assurances can be given that the Proposed Amendments will be enacted as proposed, or at all. This summary does not otherwise take into account or anticipate any changes in law or administrative or assessing practice, whether by legislative, regulatory, administrative or judicial action, nor does it take into account provincial, territorial or foreign income tax legislation. Subsequent developments could have a material effect on the following description.

This summary does not address the possible application of the “hybrid mismatch arrangement” rules included in certain Proposed Amendments to the Tax Act released on April 29, 2022, to a Non-resident Holder (i) that disposes of a Note to a person or entity with which it does not deal at arm's length or to an entity that is a “specified entity” (as defined in such Proposed Amendments) with respect to the Non-resident Holder or in respect of which the Non-resident Holder is a “specified entity”, (ii) that acquires or disposes of a Note under, or in connection with, a “structured arrangement” (as defined in such Proposed Amendments), or (iii) in respect of which the Issuer is a “specified entity”. Such Non-resident Holders should consult their own tax advisors.

This summary is of a general nature only and is not intended to be legal or tax advice to any particular holder and no representation is made with respect to the Canadian federal income tax consequences to any particular holder. This summary is not exhaustive of all Canadian federal income tax considerations. Accordingly, prospective investors should consult their own tax advisors with respect to their particular circumstances.

In general, for the purpose of the Tax Act, all amounts not otherwise expressed in Canadian dollars must be converted into Canadian dollars based on the exchange rate quoted by the Bank of Canada for the applicable day or such other rate of exchange that is acceptable to the Canada Revenue Agency.

Interest on Notes

Interest paid or credited or deemed to be paid or credited by the Issuer on a Note (including amounts on account of, or in lieu of, or in satisfaction of interest) to a Non-resident Holder will not be subject to Canadian non-resident withholding tax unless all or any portion of such interest (other than on a “prescribed obligation” described below) is contingent or dependent on the use of or production from property in Canada or is computed by reference to revenue, profit, cash flow, commodity price or any other similar criterion or by reference to dividends paid or payable to shareholders of any class or series of shares of the capital stock of a corporation. A “prescribed obligation” is an “**indexed debt obligation**” (defined below) no amount payable in respect of which, other than an amount determined by reference to a change in the purchasing power of money, is contingent or dependent upon any of the criteria described in the preceding sentence. An “**indexed debt obligation**” is a debt obligation the terms or conditions of which provide for an adjustment to an amount payable in respect of the

obligation for a period during which the obligation was outstanding that is determined by reference to a change in the purchasing power of money.

In the event that a Note the interest (or deemed interest) payable on which is not exempt from Canadian withholding tax is redeemed, cancelled or purchased by the Issuer or any other person resident or deemed to be resident in Canada from a Non-resident Holder or is otherwise assigned or transferred by a Non-resident Holder to a person resident or deemed to be resident in Canada for an amount which exceeds, generally, the issue price thereof, the excess may be deemed to be interest and may, together with any interest that has accrued on the Note to that time, be subject to non-resident withholding tax. Such excess will not be subject to withholding tax if the Note is considered to be an “excluded obligation” for purposes of the Tax Act. A Note that: (a) is not an indexed debt obligation; (b) was issued for an amount not less than 97 per cent. of the principal amount (as defined in the Tax Act) of the Note, and (c) the yield from which, expressed in terms of an annual rate (determined in accordance with the Tax Act) on the amount for which the Note was issued does not exceed 4/3 of the interest stipulated to be payable on the Note, expressed in terms of an annual rate on the outstanding principal amount from time to time, will be an excluded obligation for this purpose.

Generally, there are no other taxes on income (including taxable capital gains) payable by a Non-resident Holder on interest, discount, or premium on a Note or on the proceeds received by a Non-resident Holder on the disposition of a Note including a redemption, payment on maturity, Conversion, cancellation or purchase.

Common Share Acquired on a Conversion

Dividends paid or credited, or deemed under the Tax Act to be paid or credited, on Common Shares of the Issuer or of any affiliate of the Issuer that is a Canadian resident corporation to a Non-resident Holder will generally be subject to Canadian non-resident withholding tax at the rate of 25 per cent. on the gross amount of such dividends unless the rate is reduced under the provisions of an applicable income tax convention between Canada and the country of residence of the Non-resident Holder.

A Non-resident Holder will not be subject to tax under the Tax Act in respect of any capital gain realized on a disposition or deemed disposition of a Common Share unless the Common Share is or is deemed to be “taxable Canadian property” of the Non-resident Holder for the purposes of the Tax Act and the Non-resident Holder is not entitled to an exemption under an applicable income tax convention between Canada and the country in which the Non-resident Holder is resident.

U.S. Dividend Equivalent Withholding (Section 871(m)/HIRE Act)

Section 871(m) of the U.S. Internal Revenue Code of 1986 treats a “dividend equivalent” payment as a dividend from sources within the United States. Under Section 871(m), such payments generally would be subject to a 30% U.S. withholding tax that may be reduced by an applicable tax treaty, eligible for credit against other U.S. tax liabilities or refunded, provided that the beneficial owner timely claims a credit or refund from the IRS. A “**dividend equivalent**” payment is (i) a substitute dividend payment made pursuant to a securities lending or a sale-repurchase transaction that (directly or indirectly) is contingent upon, or determined by reference to, the payment of a dividend from sources within the United States, (ii) a payment made pursuant to a “specified notional principal contract” that (directly or indirectly) is contingent upon, or determined by reference to, the payment of a dividend from sources within the United States, and (iii) any other payment determined by the IRS to be substantially similar to a payment described in (i) or (ii). U.S. Treasury regulations issued under Section 871(m) and applicable guidance (the “**Section 871(m) Regulations**”) require withholding on certain non-U.S. holders of the Notes with respect to amounts treated as dividend equivalent payments. Under the Section 871(m) Regulations, only a Note that has an expected economic return sufficiently similar to that of the underlying U.S. security, based on tests set forth in the Section 871(m) Regulations, will be subject to the Section 871(m) withholding regime (making such security a “**Specified Security**”). The Section 871(m) Regulations provide certain exceptions to this withholding requirement, in particular for instruments linked to certain broad-based indices.

Withholding in respect of dividend equivalents will generally be required when cash payments are made on a Specified Security or upon the date of maturity, lapse or other disposition by the non-U.S. holder of the Specified Security. If the underlying U.S. security or securities are expected to pay dividends during the term of the Specified Security, withholding generally will still be required even if the Specified Security does not provide for payments explicitly linked to dividends. Additionally, the Issuer may withhold the full 30 per cent. tax on any payment on the Notes in respect of any dividend equivalent arising with respect to such Notes regardless of any exemption from, or reduction in, such withholding otherwise available under applicable law (including, for the

avoidance of doubt, where a non-U.S. holder is eligible for a reduced tax rate under an applicable tax treaty with the United States). A non-U.S. holder may be able to claim a refund of any excess withholding provided the required information is timely furnished to the U.S. Internal Revenue Service. Refund claims are subject to U.S. tax law requirements and there can be no assurance that a particular refund claim will be timely paid or paid at all. If the Issuer or any withholding agent determines that withholding is required, neither the Issuer nor any withholding agent will be required to pay any additional amounts with respect to amounts so withheld.

The Section 871(m) Regulations will generally apply to Specified Securities, which are Notes that meet the relevant tests and are issued on or after a certain date. For Notes with a “delta” of one, the relevant date is January 1, 2017, whereas for all other Notes the relevant date is January 1, 2025. “Delta” refers to the ratio of the change in the fair market value of a financial instrument to a small change in the fair market value of the number of shares of the underlying U.S. security. If the terms of a Note are subject to a “significant modification” (as defined for U.S. tax purposes), the Note generally would be treated as retired and reissued on the date of such modification for purposes of determining, based on economic conditions in effect at that time, whether such Note is a Specified Security. Similarly, if additional Notes of the same Series are issued (or deemed issued for U.S. tax purposes, such as certain sales of Notes out of inventory) after the original issue date, the IRS could treat the issue date for determining whether the existing Notes are Specified Securities as the date of such subsequent sale or issuance. Consequently, a previously out of scope Note might be treated as a Specified Security following such modification or further issuance.

In addition, payments on the Specified Securities may be calculated by reference to dividends on underlying U.S. securities that are reinvested at a rate of 70 per cent. In such case, in calculating the relevant payment amount, the holder will be deemed to receive, and the Issuer will be deemed to withhold, 30 per cent. of any dividend equivalent payments (as defined in Section 871(m) of the Code) in respect of the relevant U.S. securities. The Issuer will not pay any additional amounts to the holder on account of the Section 871(m) amount deemed withheld.

The applicable Final Terms will indicate whether the Issuer has determined that Notes are Specified Securities and will specify contact details for obtaining additional information regarding the application of Section 871(m) to Notes. If Notes are Specified Securities, a non-U.S. holder of such Notes should expect to be subject to withholding in respect of any dividend-paying U.S. securities underlying those Notes. The Issuer’s determination is binding on non-U.S. holders of Notes, but it is not binding on the IRS. The Section 871(m) Regulations require complex calculations to be made with respect to Notes linked to U.S. securities and their application to a specific issue of Notes may be uncertain. Prospective investors should consult their tax advisers regarding the potential application of Section 871(m) to the Notes.

You should consult your tax adviser about the tax considerations relevant to purchasing or holding Notes, including the relevance to your particular situation of the considerations discussed above, as well as the relevance to your particular situation of state, local or other tax laws.

Singapore

The statements below are general in nature and are based on certain aspects of current tax laws in Singapore and administrative guidelines and circulars issued by the Inland Revenue Authority of Singapore (“IRAS”), and the Monetary Authority of Singapore (the “MAS”) as at the date of this Prospectus and are subject to any changes in such laws, administrative guidelines or circulars, or the interpretation of those laws, administrative guidelines or circulars occurring after such date, which changes could be made on a retroactive basis. These laws, administrative guidelines and circulars are also subject to various interpretations and the relevant tax authorities or the courts could later disagree with the explanations or conclusions set out below. Neither these statements nor any other statements in this Prospectus are intended or are to be regarded as advice on the tax position of any holder of Notes or of any person acquiring, selling or otherwise dealing with Notes or on any tax implications arising from the acquisition, sale or other dealings in respect of the Notes. The statements made herein do not purport to be a comprehensive or exhaustive description of all the tax considerations that may be relevant to a decision to subscribe for, purchase, own or dispose of Notes and do not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or financial institutions in Singapore which have been granted the relevant financial sector incentive(s) (as determined by the MAS)) may be subject to special rules or tax rates. The statements should not be regarded as advice on the tax position of any person and should be treated with appropriate caution. Prospective holders and holders of Notes are advised to consult their own professional tax advisers as to the Singapore or other tax consequences of the acquisition, ownership of or disposal of Notes, including, in particular, the effect of any foreign, state or local tax

laws to which they are subject. It is emphasised that none of the Issuer, the Arrangers, the Dealers and any other persons involved in the Programme or any issuance of Notes accepts responsibility for any tax effects or liabilities resulting from the subscription for, purchase, holding or disposal of Notes.

Interest and Other Payments

Generally, interest and other payments derived by a holder of the Notes who is not resident in Singapore and who does not have any permanent establishment in Singapore is not subject to tax, as such income is likely to be regarded arising from a source outside Singapore, given that the Issuer is issuing the Notes outside Singapore and not through a branch or otherwise in Singapore. However, even if such interest and payments are regarded as sourced in Singapore, such interest and other payments may also be exempt from tax, including withholding tax, if the Notes qualify as “qualifying debt securities” as discussed below.

Subject to the following paragraphs, under Section 12(6) of the Income Tax Act (Singapore) (the “**ITA**”), the following payments are deemed to be derived from Singapore:

- (a) any interest, commission, fee or any other payment in connection with any loan or indebtedness or with any arrangement, management, guarantee, or service relating to any loan or indebtedness which is (i) borne, directly or indirectly, by a person resident in Singapore or a permanent establishment in Singapore (except in respect of any business carried on outside Singapore through a permanent establishment outside Singapore or any immovable property situated outside Singapore) or (ii) deductible against any income accruing in or derived from Singapore; or
- (b) any income derived from loans where the funds provided by such loans are brought into or used in Singapore.

Such payments, where made to a person not known to the paying party to be a resident in Singapore for tax purposes, are generally subject to withholding tax in Singapore. The rate at which tax is to be withheld for such payments (other than those subject to the 15 per cent. final withholding tax described below) to non-resident persons (other than non-resident individuals or a Hindu joint family) is currently 17 per cent. The applicable rate for non-resident individuals or a Hindu joint family is 22 per cent. prior to the year of assessment 2024, and 24 per cent. thereafter. However, if the payment is derived by a person not resident in Singapore otherwise than from any trade, business, profession or vocation carried on or exercised by such person in Singapore and is not effectively connected with any permanent establishment in Singapore of that person, the payment is subject to a final withholding tax of 15 per cent. The rate of 15 per cent. may be reduced by applicable tax treaties, subject to certain conditions being met.

Qualifying Debt Securities

The qualifying debt securities (“**QDS**”) scheme provides an exemption or concessionary tax treatment for certain qualifying income from QDS, subject to prescribed conditions. Such income comprised interest, discount, prepayment fee, redemption premium and break cost. The QDS scheme has been extended to December 31, 2028 and more financial institutions will qualify to arrange QDS. In addition, all payments made by an issuer on the redemption of QDS upon its maturity or on the early redemption of QDS will be exempt from tax, subject to conditions.

For the purposes of the tax exemption, debt securities that are issued from February 15, 2023 to December 31, 2023 (both dates inclusive), will be QDS if they are substantially arranged in Singapore by:

- (a) a Financial Sector Incentive (Standard Tier) Company;
- (b) a Financial Sector Incentive (Capital Market) Company; or
- (c) a specified person.

However, for debt securities issued during the period from January 1, 2024 to December 31, 2028, they must be substantially arranged in Singapore by specified persons to be QDS. The specified persons are:

- (a) a bank or merchant bank licensed under the Banking Act 1970;
- (b) a finance company licensed under the Finance Companies Act 1967;
- (c) an entity that holds a Capital Markets Services Licence under the Securities and Futures Act 2001 to carry out regulated activities – advising on corporate finance or dealing in capital markets products.

If more than half of a particular Tranche of Notes issued under the Programme (the “**Relevant Notes**”) are distributed by one or more relevant Financial Sector Incentive (Standard Tier) Companies (as defined in the ITA) or Financial Sector (Capital Market) Companies (as defined in the ITA) or specified persons, such Relevant Notes issued during the period from February 15, 2023 to December 31, 2028 will be QDS for the purposes of the ITA, to which the following treatments shall apply:

- (a) subject to certain prescribed conditions having been fulfilled (including the furnishing by the Issuer, or such other person as the MAS may direct, to the MAS of a return on debt securities for the Relevant Notes in the prescribed format within such period as the MAS may specify and such other particulars in connection with the Relevant Notes as the MAS may require, and the inclusion by the Issuer in all offering documents relating to the Relevant Notes of a statement to the effect that where interest, discount income, early redemption fee or redemption premium from the Relevant Notes is derived by a person who is not resident in Singapore and who carries on any operation in Singapore through a permanent establishment in Singapore, the tax exemption for QDS shall not apply if the non-resident person acquires the Relevant Notes using funds and profits of that person's operations through the permanent establishment in Singapore), interest, discount income (not including discount income arising from secondary trading), early redemption fee or redemption premium (collectively, the “**Qualifying Income**”) from the Relevant Notes and derived by a holder who is not resident in Singapore and who (aa) does not have any permanent establishment in Singapore or (bb) carries on any operation in Singapore through a permanent establishment in Singapore but the funds used by that person to acquire the Relevant Notes are not obtained from such person's operation through a permanent establishment in Singapore, are exempt from Singapore tax;
- (b) subject to certain prescribed conditions having been fulfilled, including the furnishing by the Issuer, or such other person as the MAS may direct, to the MAS of a return on debt securities for the Relevant Notes in the prescribed format within such period as the MAS may specify and such other particulars in connection with the Relevant Notes as the MAS may require, Qualifying Income from the Relevant Notes derived by any company or body of persons (as defined in the ITA) in Singapore is subject to income tax at a concessionary rate of 10 per cent. (except for holders of the relevant financial sector incentive(s) who may be taxed at different rates); and
- (c) subject to:
 - (i) the Issuer including, in all offering documents relating to the Relevant Notes, a statement to the effect that any person whose interest, discount income, early redemption fee or redemption premium derived from the Relevant Notes is not exempt from tax shall include such income in a return of income made under the ITA; and
 - (ii) the furnishing by the Issuer, or such other person as the MAS may direct, to the MAS of a return on debt securities for the Relevant Notes in the prescribed format within such period as the MAS may specify and such other particulars in connection with the Relevant Notes as the MAS may require,

payments of Qualifying Income derived from the Relevant Notes are not subject to withholding of tax by the Issuer.

However, notwithstanding the foregoing:

- (a) if during the primary launch of any Tranche of Relevant Notes, the Relevant Notes of such Tranche are issued to fewer than four persons and 50 per cent. or more of the issue of such Relevant Notes are beneficially held or funded, directly or indirectly, by related parties of the Issuer, such Relevant Notes would not qualify as QDS; and

(b) even though a particular Tranche of Relevant Notes are QDS, if, at any time during the tenure of such Tranche of Relevant Notes, 50 per cent. or more of such Relevant Notes which are outstanding at any time during the life of their issue is beneficially held or funded, directly or indirectly, by related parties of the Issuer, Qualifying Income derived from the Relevant Notes held by:

(i) any related parties of the Issuer; or

(ii) any other person where the funds used by such person to acquire such Relevant Notes are obtained, directly or indirectly, from any related parties of the Issuer,

shall not be eligible for the tax exemption or concessionary rate of tax as described above.

Certain Singapore-sourced investment income derived by individuals from financial instruments is exempt from tax, including:

(a) interest from debt securities derived on or after January 1, 2004;

(b) discount income (not including discount income arising from secondary trading) from debt securities derived on or after February 17, 2006;

(c) prepayment fee, redemption premium and break cost from debt securities derived on or after February 15, 2007; and

(d) early redemption fee (which replaced the terms “prepayment fee” and “break cost”) from debt securities derived on or after February 15, 2023,

except where such income is derived through a partnership in Singapore or is derived from the carrying on of a trade, business or profession.

References to “early redemption fee”, “redemption premium” and “related party” in this Singapore tax disclosure have the same meaning as defined in the ITA:

“early redemption fee”, in relation to debt securities and qualifying debt securities, means any fee payable by the issuer of the securities on the early redemption of the securities;

“redemption premium”, in relation to debt securities and qualifying debt securities, means any premium payable by the issuer of the securities upon their maturity or on the early redemption of the securities; and

“related party”, in relation to a person (A), means any person:

(a) who directly or indirectly controls A;

(b) who is being controlled directly or indirectly by A; or

(c) who, together with A, is directly or indirectly under the control of a common person.

All foreign-sourced income received in Singapore on or after January 1, 2004 by Singapore tax-resident individuals will be exempt from income tax, provided such foreign-sourced income is not received through a partnership in Singapore.

Where interest, discount income, early redemption fee or redemption premium (i.e. the Qualifying Income) is derived from the Relevant Notes by any person who is not resident in Singapore and who carries on any operations in Singapore through a permanent establishment in Singapore, the tax exemption available for QDS under the ITA (as mentioned above) shall not apply if such person acquires such Relevant Notes using the funds and profits of such person's operations through a permanent establishment in Singapore. Any person whose interest, discount income, prepayment fee, early redemption fee or redemption premium (i.e. the Qualifying

Income) derived from such Relevant Notes is not exempt from tax is required to include such income in a return of income made under the ITA.

Taxation relating to Payments on Hybrid Instruments

The ITA currently does not contain specific provisions on how financial instruments that exhibit both debt-like and equity-like features, i.e. hybrid instruments, should be treated for income tax purposes. However, the IRAS has published the e-Tax Guide: Income Tax Treatment of Hybrid Instruments (Second Edition) on October 21, 2019 (the “**Hybrid Instruments e-Tax Guide**”) which sets out the income tax treatment of hybrid instruments, including the factors that the IRAS will generally use to determine whether such instruments are debt or equity instruments for income tax purposes.

Among others, the IRAS has stated in the Hybrid Instruments e-Tax Guide that:

- (a) whether or not a hybrid instrument will be treated as debt or equity security for income tax purposes will firstly depend on its legal form, to be determined based on an examination of the legal rights and obligations attached to the instrument;
- (b) a hybrid instrument is generally characterised as equity if the legal terms of the instrument indicate ownership interests in the issuer. If the legal form of a hybrid instrument is not indicative of or does not reflect the legal rights and obligations, the facts and circumstances surrounding the instrument and a combination of factors, not limited to the following, would have to be examined to ascertain the nature of the instrument for income tax purposes.

These factors include (but are not limited to):

- (i) nature of interest acquired;
 - (ii) investor’s right to participate in issuer’s business;
 - (iii) voting rights conferred by the instrument;
 - (iv) obligation to repay the principal amount;
 - (v) payout;
 - (vi) investor’s right to enforce payment;
 - (vii) classification by other regulatory authority; and
 - (viii) ranking for repayment in the event of liquidation or dissolution;
- (c) if a hybrid instrument is characterised as a debt instrument for income tax purposes, distributions from the issuer to the investors are regarded as interest; and
 - (d) if a hybrid instrument issued by a company or REIT is characterised as an equity instrument for income tax purposes, payments from the issuer to the investors are regarded as either dividends or distributions.

Capital Gains

Any gains considered to be in the nature of capital made from the sale of Notes will not be taxable in Singapore. However, any gains derived by any person from the sale of Notes which are gains from any trade, business, profession or vocation carried on by that person, if accruing in or derived from Singapore, may be taxable as such gains are considered revenue in nature.

Noteholders who are adopting the Financial Reporting Standard (“**FRS**”) FRS 39, FRS 109 or Singapore Financial Reporting Standard (International) 9 (“**SFRS(I) 9**”) (as the case may be), may for Singapore income tax purposes, be required to recognise gains or losses (not being gains or losses in the nature of capital) on the Notes,

irrespective of disposal, in accordance with FRS 39 or FRS 109, or SFRS(I) 9 (as the case may be). Please see the section below on “Adoption of FRS 39, FRS 109 or SFRS(I) 9 for Singapore Income Tax Purposes”.

Adoption of FRS 39, FRS 109 or SFRS(I) 9 for Singapore Income Tax Purposes

Section 34A of the ITA provides for the tax treatment for financial instruments in accordance with FRS 39 (subject to certain exceptions and “opt-out” provisions) to taxpayers who are required to comply with FRS 39 for financial reporting purposes. The IRAS has also issued a circular entitled “Income Tax Implications Arising from the Adoption of FRS 39 - Financial Instruments: Recognition and Measurement”.

FRS 109 or SFRS(I) 9 (as the case may be) is mandatorily effective for annual periods beginning on or after January 1, 2018, replacing FRS 39. Section 34AA of the ITA requires taxpayers who comply or who are required to comply with FRS 109 or SFRS(I) 9 (as the case may be) for financial reporting purposes to calculate their profit, loss or expense for Singapore income tax purposes in respect of financial instruments in accordance with FRS 109 or SFRS (I) 9 (as the case may be), subject to certain exceptions. The IRAS has also issued a circular entitled “*Income Tax: Income Tax Treatment Arising from Adoption of FRS 109 – Financial Instruments*”.

Noteholders who may be subject to the tax treatment under Sections 34A or 34AA of the ITA should consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding or disposal of the Notes.

Estate Duty

Singapore estate duty has been abolished with respect to all deaths occurring on or after February 15, 2008.

The Proposed Financial Transactions Tax (the “FTT”)

On February 14, 2013, the European Commission published a proposal (the “Commission’s Proposal”) for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the “participating Member States”). However, Estonia has since stated that it will not participate.

The Commission’s Proposal has very broad scope and could, if introduced, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances. Primary market transactions referred to in Article 5(c) of Regulation (EC) No 1287/2006 are expected to be exempt.

Under the Commission’s Proposal, the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, “established” in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between the participating Member States. It may therefore be altered prior to implementation, the timing of which remains unclear. Additional EU Member States may decide to participate.

Prospective Noteholders are advised to seek their own professional advice in relation to the FTT.

Foreign Account Tax Compliance Act

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, withholding may be required on, among other things, (i) certain payments made by “**foreign financial institutions**” (as defined by FATCA) (“**foreign passthru payments**”, a term not yet defined), (ii) dividend equivalent payments (as described below in “U.S. Dividend Equivalent Withholding (Section 871(m)/HIRE Act)”) and (iii) payments of gross proceeds from the disposition of securities that generate dividend equivalent payments, in each case, to persons that fail to meet certain certification, reporting or related requirements. The Issuer is a foreign financial institution for these purposes. A number of jurisdictions (including Canada and the United Kingdom) have entered into, or have agreed in substance to, intergovernmental agreements with the United States

to implement FATCA (“**IGAs**”), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, no person will be required to pay additional amounts as a result of the withholding.

Certain aspects of the application of the FATCA provisions and IGAs to instruments such as Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to foreign passthru payments or payments of gross proceeds from the disposition of Notes that generate dividend equivalent payments, such withholding would not apply prior to the date that is two years after the date on which final regulations defining foreign passthru payments that are published in the U.S. Federal Register and Notes characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes (“**Debt**”) issued on or prior to the relevant grandfathering date would generally be grandfathered for purposes of FATCA withholding unless materially modified after such date (including by reason of a substitution of the relevant Issuer). The grandfathering date for (A) Notes that are Debt that give rise solely to foreign passthru payments, is the date that is six months after the date on which final U.S. Treasury regulations defining the term foreign passthru payment are filed with the Federal Register, and (B) Notes that are Debt that give rise to a dividend equivalent pursuant to Section 871(m) of the U.S. Internal Revenue Code of 1986 and the U.S. Treasury regulations promulgated thereunder, is six months after the date on which obligations of its type are first treated as giving rise to dividend equivalents (unless they are materially modified after that date). If additional Notes (as described under “*Terms and Conditions of the Notes—Further Issues*”) that are not distinguishable from such previously issued grandfathered Notes are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Notes, including the Notes offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA. Holders should consult their own tax advisers regarding how these rules may apply to their investment in Notes.

Common Reporting Standard

Similar to sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, under the Organization for Economic Co-operation and Development’s (“**OECD**”) initiative for the automatic exchange of information, many countries have committed to automatic exchange of information relating to accounts held by tax residents of signatory countries, using a common reporting standard.

Canada is one of over 90 countries that has signed the OECD’s Multilateral Competent Authority Agreement and Common Reporting Standard (“**CRS**”), which provides for the implementation of the automatic exchange of tax information. On December 15, 2016, legislation to implement the CRS in Canada was enacted, which, effective as of July 1, 2017, requires Canadian financial institutions to report certain information concerning certain investors resident in participating countries to the Canada Revenue Agency and to follow certain due diligence procedures. The Canada Revenue Agency then provides such information to the tax authorities in the applicable investors’ countries of residence, where required under CRS. The UK Government has enacted legislation giving effect to the EU’s implementation of CRS (contained in certain EU Council Directives) from January 1, 2016. Similar implementing legislation is expected to be introduced by other signatory countries to the CRS.

PLAN OF DISTRIBUTION

Subject to the terms and conditions contained in an Amended and Restated Distribution Agreement dated July 21, 2023 (the “**Distribution Agreement**” which expression shall include any amendment or supplements thereto or restatements thereof) between the Issuer and the Permanent Dealers (the “**Permanent Dealers**”), the Notes will be offered on a continuous basis by the Issuer to the Permanent Dealers, however the Issuer has reserved the right to sell Notes directly on its own behalf to Dealers which are not Permanent Dealers under and pursuant to the terms of the Distribution Agreement (together with the Permanent Dealers, the “**Dealers**”). Such Notes may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the relevant Dealer. The Notes may also be sold by the Issuer through the Dealers, acting as agents of the Issuer. The Distribution Agreement also provides for Notes to be issued in syndicated Tranches which are jointly and severally underwritten by two or more Dealers and that the obligation of any Dealer to subscribe for Notes under any such agreement is subject to certain conditions and that, in the event that certain conditions precedent are not delivered or met to their satisfaction on the Issue Date of such Notes, a Dealer shall be entitled to be released and discharged from its obligations under any such agreement prior to the issue of the relevant Notes. In this situation, the issuance of such Notes may not be completed. Investors will have no rights against the Issuer or the Dealers in respect of any expense incurred or loss suffered in these circumstances.

The Issuer will pay each relevant Dealer a commission depending upon maturity in respect of Notes subscribed or procured for subscription by it. The Issuer has agreed to reimburse the Dealers for certain of their expenses incurred in connection with the establishment and update of the Programme and the issue of Notes under the Programme.

The Issuer has agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of the Notes. The Distribution Agreement may be terminated in relation to all the Dealers or any of them by the Issuer or, in relation to itself and the Issuer only, by any Dealer, at any time on giving not less than ten business days’ notice.

Each purchaser of a Note will arrange for payment as instructed by the applicable Dealer. The Dealers are required to deliver the proceeds of the Notes to the Issuer in immediately available funds, to a bank designated by the Issuer in accordance with the terms of the Distribution Agreement, on the date of settlement.

Other relationships

Certain Dealers and their affiliates have engaged, and may in the future engage, in investment bank and/or commercial banking transactions with, and may perform services for, the Issuer in the ordinary of business and/or for companies involved directly or indirectly in the sector in which the Issuer and/or its affiliates operate, and for which such Dealers have received or may receive customary fees, commissions, reimbursement of expenses and indemnification. Certain of the dealers and their affiliates may also have positions, deal or make markets in the Notes issued under the Programme, related derivatives and reference obligations, including (but not limited to) entering into hedging strategies on behalf of the Issuer and its affiliates, investor clients, or as principal in order to manage their exposure, their general market risk, or other trading activities. They have received, or may in the future receive, customary fees and commissions for these transactions.

In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or its affiliates. The Dealers and/or their affiliates may receive allocations of the Notes (subject to customary closing conditions), which could affect future trading of the Notes. Certain Dealers or their affiliates that have a lending relationship with the Issuer routinely hedge its credit exposure to the Issuer consistent with its customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes issued under the Programme. Any such short positions could adversely affect future trading prices of Notes issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

The Issuer may sell Notes to one or more of the Dealers including Scotiabank (Ireland) Designated Activity Company and The Bank of Nova Scotia, London Branch. Scotiabank (Ireland) Designated Activity Company is a wholly owned subsidiary of the Issuer and The Bank of Nova Scotia, London Branch is a branch of the Issuer. The terms of the Programme were negotiated at arms-length between the Issuer and the Dealers. In addition to any proceeds from any offering of the Notes under the Programme being applied, directly or indirectly for the benefit of Scotiabank (Ireland) Designated Activity Company (SIDAC) and The Bank of Nova Scotia, London Branch, in its capacity as a wholly-owned direct subsidiary or a branch of the Issuer, as the case may be, it will receive a portion of any fees and commissions payable in connection with any such offering of Notes in its capacity as a Dealer.

United States

The Notes and, in certain cases, the Entitlement have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”) or the securities laws of any state or other jurisdiction in the United States. The Notes are only being offered and sold outside the United States to persons that are not U.S. persons within the meaning of and in reliance on Regulation S under the Securities Act (“**Regulation S**”) and may not be offered, sold or delivered, directly or indirectly, within the United States, its territories or possessions or to, or for the account or benefit of, U.S. persons except in accordance with Rule 903 or 904 of Regulation S and in accordance with all applicable securities laws of any state of the United States. Terms used in this paragraph have the meanings given to them by Regulation S.

Notes in bearer form are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a U.S. person, except in certain transactions permitted by U.S. Treasury regulations. Each Permanent Dealer has agreed and each further Dealer will agree that it will not offer, sell or deliver a Note in bearer form within the United States or to U.S. persons. Terms used in this paragraph have the meanings given to them by the Code.

Each Permanent Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that, except as permitted by the Distribution Agreement, it will not offer, sell or deliver the Notes of any identifiable Tranche (i) as part of their distribution at any time or (ii) otherwise until 40 days after completion of the distribution of such Tranche as determined, and certified to the Issuer and each relevant Dealer, by the Fiscal Agent, or in the case of Notes issued on a syndicated basis, the Lead Manager, in accordance with Rule 903 of Regulation S, within the United States, its territories or possessions or to, or for the account or benefit of, U.S. persons, except in accordance with Regulation S of the Securities Act, it will not engage in any directed selling efforts with respect to the Notes of any Tranche, except in accordance with Regulation S of the Securities Act and it will have sent to each Dealer to which it sells Notes a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States, its territories and possessions or to, or for the account or benefit of, U.S. persons.

In addition, until 40 days after the completion of the offering, an offer or sale of Notes within the United States by any Dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

Canada

While the Senior Notes are exempt from the prospectus requirement under the securities laws of each province and territory of Canada, the Subordinated Notes are not exempt from the prospectus requirement. This Base Prospectus has not been approved by any regulator or regulatory authority in Canada and the Subordinated Notes have not been and will not be qualified for sale under Canadian securities laws.

If the applicable Final Terms specify “Canadian Sales Permitted”, each Permanent Dealer has acknowledged and each further Dealer appointed under the Programme will be required to acknowledge that the Notes have not been and will not be qualified for sale under the securities laws of Canada or any province or territory thereof and has represented and agreed that it has not offered, sold or distributed, and that it will not offer, sell or distribute, any Notes, directly or indirectly, in Canada or to, or for the benefit of, any resident thereof in contravention of the securities laws of Canada or any province or territory thereof or any additional selling restrictions as required by the Issuer. Each Permanent Dealer has also agreed and each further Dealer appointed under the Programme will be required to agree not to distribute or deliver this Prospectus, or any other offering material relating to the Notes in Canada (i) without the prior written consent of the Issuer; and, (ii) if such consent is granted, in contravention of the securities laws of Canada or any province or territory thereof. In respect of an

offer, sale or distribution of Subordinated Notes, each Dealer shall comply with any further selling restrictions agreed between such Dealer and the Issuer in respect of offers in Canada.

If the applicable Final Terms specify “Canadian Sales not Permitted”, each Permanent Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree that it has not offered, sold or distributed, and that it will not offer, sell or distribute any Notes, directly or indirectly, in Canada or to, or for the benefit of any resident thereof.

In the case of Subordinated Notes offered by a Dealer outside Canada, each Permanent Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree that it will deliver to any purchaser who purchases from such Dealer any Subordinated Notes purchased by such Dealer hereunder a notice stating that, by purchasing such Subordinated Notes, such purchaser represents and agrees that it has not offered or sold and will not offer or sell, directly or indirectly, any of such Subordinated Notes in Canada or to, or for the benefit of, any resident thereof, except in compliance with applicable Canadian provincial and territorial securities laws or pursuant to exemptions therefrom and will deliver to any other purchaser to whom it sells any such Subordinated Notes a notice substantially the same as the statement in this sentence.

EEA - Prohibition of Sales to EEA Retail Investors

Unless the Final Terms in respect of any Notes specifies the “**Prohibition of Sales to EEA Retail Investors**” as “Not Applicable”, each Permanent Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Prospectus as completed by the Final Terms in relation thereto to any retail investor in the EEA. For the purposes of this provision:

- (a) the expression “**retail investor**” means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); or
 - (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended) where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
 - (iii) not a qualified investor as defined in the EU Prospectus Regulation (as defined below); and
- (b) the expression an “offer” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

If the Final Terms in respect of any Notes specifies “**Prohibition of Sales to EEA Retail Investors**” is “Not Applicable” in relation to each Member State of the EEA, each Permanent Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Prospectus as completed by the applicable Final Terms in relation thereto to the public in that Member State of the EEA except that it may make an offer of such Notes to the public in that Member State of the EEA:

- (a) at any time to any legal entity which is a qualified investor as defined in the EU Prospectus Regulation;
- (b) at any time to fewer than 150 natural or legal persons (other than qualified investors, as defined in the EU Prospectus Regulation) subject to obtaining the prior consent of the relevant Purchaser or Purchasers nominated by the Issuer for any such offer; or
- (c) at any time in any other circumstances falling within Article 1(4) of the EU Prospectus Regulation;

provided that no such offer of Notes referred to in (a) to (c) above shall require the Issuer or any Purchaser to publish a prospectus pursuant to Article 3 of the EU Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the EU Prospectus Regulation.

For the purposes of this provision, the expression an “offer of Notes to the public” in relation to any Notes in any Member State of the EEA means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes, and the expression “**EU Prospectus Regulation**” means Regulation (EU) 2017/1129 (as amended).

UK - Prohibition of Sales to UK Retail Investors

Unless the Final Terms in respect of any Notes specifies “**Prohibition of Sales to UK Retail Investors**” as “Not Applicable”, each Permanent Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Prospectus as completed by the Final Terms in relation thereto to any retail investor in the UK. For the purposes of this provision:

- (a) the expression “**retail investor**” means a person who is one (or more) of the following:
 - (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of UK domestic law by virtue of the EUWA; or
 - (ii) a customer within the meaning of the provisions of the “FSMA” and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97 (as amended), where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the EUWA; or
 - (iii) not a qualified investor as defined in Article 2 of the UK Prospectus Regulation; and
- (b) the expression an “**offer**” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

If the Final Terms in respect of any Notes specifies “**Prohibition of Sales to UK Retail Investors**” as “Not Applicable”, each Permanent Dealer has represented and agreed, and each other Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Prospectus as completed by the Final Terms in relation thereto to the public in the UK except that it may make an offer of such Notes to the public in the UK:

- (A) at any time to any legal entity which is a qualified investor as defined in Article 2 of the UK Prospectus Regulation;
- (B) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in Article 2 of the UK Prospectus Regulation) in the UK subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (C) at any time in any other circumstances falling within section 86 of the FSMA,

provided that no such offer of Notes referred to in (A) to (C) above shall require the Issuer or any Dealer to publish a prospectus pursuant to section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

For the purposes of this provision, the expression “an offer of Notes to the public” in relation to any Notes means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes and the expression “**UK Prospectus Regulation**” means Regulation (EU) 2017/1129 (as amended) as it forms part of UK domestic law by virtue of the EUWA.

UK - Other regulatory restrictions

Each Permanent Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (i) 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 Notes in circumstances in which Section 21(1) of the FSMA would not, if the Issuer was not an authorised person, apply to the Issuer; and
- (ii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the UK.

France

Each of the Permanent Dealers and the Issuer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that it has not offered or sold and will not offer or sell, directly or indirectly, Notes to the public in France (other than to qualified investors as described below), and has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France (other than to qualified investors as described below), this Prospectus, the applicable Final Terms or any other offering material relating to the Notes, and that such offers, sales and distributions have been and will be made in France pursuant to Article L. 411-2 1° of the French *Code monétaire et financier* only to qualified investors (*investisseurs qualifiés*), other than individuals, as defined in Article 2 of the EU Prospectus Regulation and Article L.411-2 of the French *Code monétaire et financier*.

This Prospectus has not been submitted for clearance to the AMF in France.

Republic of Italy

As of the date of this Prospectus, the Issuer is not licensed to “collect deposits and other funds with the obligation to reimburse” in the Republic of Italy and therefore, each of the Issuer and each Permanent Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or delivered Notes, nor has it distributed copies of this Prospectus or any other document relating to the Notes in the Republic of Italy and that no Notes may be offered, sold or delivered, nor may copies of this Prospectus or of any other document relating to the Notes be distributed in the Republic of Italy unless such license has been obtained.

Upon the issuance of the license to “collect deposits and other funds with the obligation to reimburse” in the Republic of Italy in relation to the Issuer, the following selling restrictions shall apply:

The offering of the Notes has not been registered pursuant to Italian securities legislation and, accordingly, no Notes may be offered, sold or delivered, nor may copies of this Prospectus or of any other document relating to the Notes be distributed in the Republic of Italy, except:

- (i) to qualified investors (*investitori qualificati*), as defined pursuant to Article 2 of the EU Prospectus Regulation and any applicable provision of Legislative Decree No. 58 of February 24, 1998, as amended (the “**Financial Services Act**”) and/or Italian CONSOB regulations; or
- (ii) in other circumstances which are exempted from the rules on public offerings pursuant to Article 1 of the EU Prospectus Regulation, Article 34-ter of CONSOB Regulation No. 11971 of May 14, 1999, as amended from time to time, and the applicable Italian laws.

Any offer, sale or delivery of the Notes or distribution of copies of this Prospectus or any other document relating to the Notes in the Republic of Italy under (i) or (ii) above must:

- (a) be 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 No. 20307 of February 15, 2018 (as amended from time to time) and Legislative Decree No. 385 of September 1, 1993, as amended (the “**Banking Act**”); and
- (b) comply with any other applicable laws and regulations or requirement imposed by CONSOB, the Bank of Italy (including the reporting requirements, where applicable, pursuant to Article

129 of the Banking Act and the implementing guidelines of the Bank of Italy, as amended from time to time) and/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 under (a) and (b) above, the subsequent distribution of the Notes on the secondary market in Italy must be made in compliance with the public offerings 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 Notes being declared null and void and in the liability of the intermediary transferring the financial instruments will be liable for any damages suffered by the investors.

Hong Kong

Each Permanent Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes except for Notes which are a “structured product” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the “SFO”) other than (a) to “professional investors” as defined in the SFO and any rules made under the SFO; or (b) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap.32) of Hong Kong (the “C(WUMP)O”) or which do not constitute an offer to the public within the meaning of the C(WUMP)O; and
- (b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the SFO and any rules made under the SFO.

Japan

The Notes have not been and will not be registered under Article 4, Paragraph 1 of the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended; the “FIEA”) and each Permanent Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any Resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949 of Japan, as amended)), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, any Resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

Singapore

Each Permanent Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that this Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Permanent Dealer has represented, and agreed and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the “SFA”)) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA. Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person, which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

- (1) to an institutional investor or to a relevant person or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(c)(ii) of the SFA;
- (2) where no consideration is or will be given for the transfer;
- (3) where the transfer is by operation of law;
- (4) as specified in Section 276(7) of the SFA; or
- (5) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 of Singapore.

Banking Act deposit-taking restrictions

Notes denominated in Singapore dollars and issued to persons in Singapore by a person carrying on a deposit-taking business (whether in Singapore or elsewhere) with a maturity period of less than 12 months and a denomination of less than S\$200,000 would be treated as deposits for the purposes of the Banking Act 1970 of Singapore (the “**Singapore Banking Act**”), unless the Notes are issued to certain persons, including either:

- (a) an individual whose total net assets exceeds S\$2,000,000 (or equivalent in foreign currency) at the time of subscription or whose income in the 12 months preceding the time of subscription exceeds S\$300,000 (or equivalent in foreign currency); or
- (b) a company whose net assets (as determined by the last audited balance sheet of the company) exceeds S\$10,000,000 (or equivalent in foreign currency) at the time of subscription.

In addition, where Notes issued in Singapore dollars with a denomination of less than S\$200,000 are not treated as deposits for the purposes of the Singapore Banking Act, certain additional information is required to be furnished to investors in Singapore by an issuer which is carrying on a deposit-taking business. In such case, please refer to the Final Terms in the case of such Notes for such further information.

The Netherlands

Each Permanent Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that any Notes will only be offered in the Netherlands to Qualified Investors within the meaning of the Prospectus Regulation.

In addition to the above, if the Issuer issues Zero Coupon Notes and these Zero Coupon Notes are offered in the Netherlands as part of their initial distribution or immediately thereafter:

- (a) transfer and acceptance of such Zero Coupon Notes may only take place either by and between individuals not acting in the course of their profession or business or through the mediation of either a permit holder (*Toegelaten Instelling*) of Euronext Amsterdam N.V. or the Issuer itself in accordance with the Savings Certificate Act of May 21, 1985 (*Wet inzake Spaarbewijzen*); and
- (b) certain identification requirements in relation to the issue and transfer of, and payment on the Zero Coupon Notes have to be complied with pursuant to section 3a of the Savings Certificate Act;

Furthermore, unless such Zero Coupon Notes qualify as commercial paper or certificates of deposit and the transaction is carried out between professional lenders and borrowers:

- (a) each transaction concerning such Zero Coupon Notes must be recorded in a transaction note, stating the name and address of the other party to the transaction, the nature of the transaction and details, including the number and serial number of the Zero Coupon Notes concerned;
- (b) the obligations referred to under (a) above must be indicated on a legend printed on Zero Coupon Notes that are not listed on a stock market; and
- (c) any reference to the words “to bearer” in any documents or advertisements in which a forthcoming offering of Zero Coupon Notes is publicly announced is prohibited.

For purposes of this paragraph, “Zero Coupon Notes” are Notes to bearer in definitive form that constitute a claim for a fixed sum of money against the Issuer and on which interest does not become due prior to maturity or on which no interest is due whatsoever.

Belgium

Other than in respect of Notes for which “Prohibition of Sales to Belgian Consumers” is specified as “Not Applicable” in the applicable Final Terms or, each Permanent Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that an offering of Notes may not be advertised to any individual in Belgium qualifying as a consumer within the meaning of Article I.1 of the Belgian Code of Economic Law, as amended from time to time (a “**Belgian Consumer**”), and that it has not offered, sold or resold, transferred or delivered, and will not offer, sell, resell, transfer or deliver, the Notes, and that it has not distributed, and will not distribute, any prospectus memorandum, information circular, brochure or any similar documents in relation to the Notes, directly or indirectly, to any Belgian Consumer.

Switzerland

- (a) Unless otherwise specifically provided in the applicable Final Terms and subject to paragraph (b), each Permanent Dealer has represented and agreed and, each further Dealer appointed under the Programme will represent and agree that (i) the Notes may not be publicly offered, directly or indirectly, in Switzerland within the meaning of the Swiss Financial Services Act (as amended, the “**FinSA**”), (ii) no application has or will be made to admit the Notes to trading on any trading venue (exchange or multilateral trading facility) in Switzerland, (iii) neither this Prospectus nor any Final Terms nor any other offering or marketing material relating to the Notes constitutes a prospectus pursuant to the FinSA, and (iv) neither this Prospectus nor any Final Terms nor any other offering or marketing material relating to the Notes may be publicly distributed or otherwise made publicly available in Switzerland.
- (b) The Issuer and the relevant Dealer(s) may agree in respect of any Notes to be issued that (i) such Notes may be publicly offered in Switzerland within the meaning of FinSA, and/or (ii) an application may be made by or on behalf of the Issuer to admit such Notes on a trading venue (exchange or multilateral trading facility) in Switzerland, provided that the Issuer and the relevant Dealer(s) comply with the applicable requirements of the FinSA in connection with such public offering and/or application for admission to trading, including, without limitation, any requirement to prepare and publish a prospectus in accordance with FinSA, and the listing rules of the relevant trading venue in Switzerland.

Australia

No prospectus or any other disclosure document (as defined in the Corporations Act 2001 of Australia (the “**Corporations Act**”) in relation to the Programme or any Notes has been or will be lodged with the Australian Securities and Investments Commission (“**ASIC**”). Each Permanent Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that unless a supplement to this Prospectus otherwise provides, it:

- (a) has not (directly or indirectly) offered or invited applications, and will not offer or invite applications, for issue, sale or purchase in Australia (including an offer or invitation which is received by a person in Australia); and

- (b) has not distributed or published, and will not distribute or publish, any draft, preliminary or definitive prospectus, offering circular, advertisement or any other offering material relating to any Notes in Australia,

unless (1) the aggregate consideration payable by each offeree or invitee in Australia is at least AUD500,000 (or its equivalent in other currencies, in either case, disregarding monies lent by the offeror or its associates) or the offer or invitation does not otherwise require disclosure to investors under Parts 6D.2 or Chapter 7.9 of the Corporations Act, (2) such action complies with all applicable laws, regulations or directives in Australia (including, without limitation, the licensing requirements set out in Chapter 7 of the Corporations Act), (3) such action does not require any document to be lodged with, or registered by, ASIC, and (4) the offer or invitation is not made to a person who is a 'retail client' as defined for the purposes of section 761G of the Corporations Act.

In addition, each Permanent Dealer has agreed, and each further Dealer appointed under the Programme will be required to agree, that it will comply with the instrument issued by a delegate of the Australian Prudential Regulation Authority dated 21 March 2018 as contained in Banking exemption No. 1 of 2018 which requires all offers and trades of Notes to be in parcels of not less than AUD500,000. Banking exemption No. 1 does not apply to offers or trades of Notes which occur outside Australia.

General

These selling restrictions may be supplemented or modified by the agreement of the Issuer and the Dealers following a change in a relevant law, regulation or directive. Any such supplement or modification will be set out in the Final Terms issued in respect of the Tranche or Series of Notes to which it relates or in a Supplementary Prospectus.

No action has been or will be taken in any jurisdiction that would permit a public offering of any of the Notes, or possession or distribution of this Prospectus or any other offering material or any Final Terms, in any country or jurisdiction where action for that purpose is required. Neither the Issuer nor any of the Dealers represents that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

Each Permanent Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Notes or possesses or distributes this Prospectus and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and neither the Issuer nor any of the Dealers shall have any responsibility therefor.

GENERAL INFORMATION

1. The Issuer has obtained all necessary consents, approvals and authorisations in connection with the issue and performance of the Notes. The establishment and update of the Programme and the issue of Notes thereunder was authorised by Resolutions of the Board of Directors of the Issuer passed on June 24, 2013, August 28, 2015, October 25, 2016, October 26, 2018, May 29, 2018 June 23, 2020 and March 1, 2022. The issue of Subordinated Notes under the Programme was authorised by the Resolutions of the Board of Directors of the Issuer passed on March 1, 2022.
2. Each Bearer Note, Receipt, Coupon and Talon will bear the following legend: “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”.
3. There has been no significant change in the financial performance or financial position of the Issuer and its subsidiaries taken as a whole since April 30, 2023, being the date of the latest unaudited interim consolidated financial statements of the Issuer for the three and six month periods ended April 30, 2023, and there has been no material adverse change in the prospects of the Issuer and its subsidiaries taken as a whole since October 31, 2022, being the date of the latest audited published consolidated financial statements of the Issuer.
4. The Notes have been accepted for clearance through the Euroclear and Clearstream, Luxembourg systems (which are the entities in charge of keeping the records). The Common Code and the International Securities Identification Number (“**ISIN**”) for each Tranche of Notes allocated by Euroclear and Clearstream, Luxembourg and details of any other agreed clearance system will be set out in the applicable Final Terms. The applicable Final Terms shall specify any other clearing system that shall have accepted the relevant Notes for clearance together with any further appropriate information.

The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels.
The address of Clearstream, Luxembourg is Clearstream Banking, 42 Avenue JF Kennedy, L-1855 Luxembourg.

5. From the date hereof and for so long as the Programme remains in effect or any Notes remain outstanding, the following documents will, be available for inspection during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted), at the head office of the Issuer and at the specified office of the Fiscal Agent:
 - (i) the Agency Agreement (which includes the form of the Bearer Global Notes, the definitive Bearer Notes, the Certificates, the Coupons, the Receipts and the Talons);
 - (ii) the Deed of Covenant;
 - (iii) the *Bank Act* (Canada) (being the charter of the Issuer) and By-laws of the Issuer;
 - (iv) the Annual Statements of the Issuer, including the 2022 Annual Information Form, the Annual Report which includes the audited Consolidated Financial Statements for the fiscal years ended October 31, 2022 and October 31, 2021, the independent auditors’ report therein, and the Management’s Discussion and Analysis for the year ended October 31, 2022, the Report on Form 40-F for the fiscal year ended October 31, 2022 and the 2023 Second Quarter Report for the three and six month periods ended April 30, 2023;
 - (v) each Final Terms for Notes which are listed on the SGX-ST; and
 - (vi) a copy of this Prospectus together with any further or Supplementary Prospectuses when published.
6. Copies of the latest annual financial statements, annual management discussion and analysis, interim financial statements and interim management discussion and analysis, to shareholders of the Issuer may be obtained, and copies of the Agency Agreement and Deed of Covenant will be available for inspection, at the specified offices of each of the Paying Agents during normal business hours, so long as any of the Notes are outstanding.

7. This Prospectus and (in the case of Notes listed on the SGX-ST) the applicable Final Terms will also be published on the website of the SGX-ST at <http://www.sgx.com>.
8. The price and amount of Notes to be issued under the Programme will be determined by the Issuer and the relevant Dealer at the time of issue in accordance with prevailing market conditions.
9. The Issuer does not intend to provide any post-issuance information in relation to any issues of Notes.
10. Settlement arrangements will be agreed between the Issuer, the relevant Dealer and the Paying Agent or, as the case may be, the Registrar in relation to each Tranche of Notes.
11. The Legal Entity Identifier (LEI) of the Issuer is L3I9ZG2KFGXZ61BMYR72.

PRO FORMA FINAL TERMS

[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.]

[MIFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET - Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, “MiFID II”); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a “distributor”) should take into consideration the manufacturer[‘s/s’] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[‘s/s’] target market assessment) and determining appropriate distribution channels.]

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

[PROHIBITION OF SALES TO EEA RETAIL INVESTORS - The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the “EEA”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of [MiFID II / Directive 2014/65/EU (as amended, “MiFID II”)]; (ii) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (the “Prospectus Regulation”). Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the “PRIIPs Regulation”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.]¹

[PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the UK. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended (the “EUWA”); (ii) a customer within the meaning of the provisions of the UK Financial Services and Markets Act 2000 (as amended, the “FSMA”) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of UK domestic law by virtue of the EUWA. Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of UK domestic law by virtue of the EUWA (the “UK PRIIPs Regulation”) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore

¹ Legend to be included on front of the Final Terms if the Notes potentially constitute “packaged” products and no key information document will be prepared, in which case the selling restriction should be specified to be “Applicable”.

offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.]²

[NOTIFICATION UNDER SECTION 309B(1)(C) OF THE SECURITIES AND FUTURES ACT 2001 OF SINGAPORE, AS MODIFIED OR AMENDED FROM TIME TO TIME (the “SFA”) - [To insert notice if classification of the Notes is not “prescribed capital markets products”, pursuant to Section 309B of the SFA].³

[Where interest, discount income, prepayment fee, early redemption fee or redemption premium is derived from any of the Notes by any person who is not resident in Singapore and who carries on any operations in Singapore through a permanent establishment in Singapore, the tax exemption available for qualifying debt securities (subject to certain conditions) under the Income Tax Act 1947 of Singapore (“ITA”) shall not apply if such person acquires such Notes using the funds and profits of such person's operations through a permanent establishment in Singapore. Any person whose interest, discount income, prepayment fee, early redemption fee or redemption premium derived from the Notes is not exempt from tax (including for the reasons described above) shall include such income in a return of income made under the ITA.]⁴

[THESE NOTES ARE SUBJECT TO CONVERSION IN WHOLE OR IN PART – BY MEANS OF A TRANSACTION OR SERIES OF TRANSACTIONS AND IN ONE OR MORE STEPS – INTO COMMON SHARES OF THE BANK OF NOVA SCOTIA OR ANY OF ITS AFFILIATES UNDER SUBSECTION 39.2(2.3) OF THE CANADA DEPOSIT INSURANCE CORPORATION ACT (THE “CDIC ACT”) AND TO VARIATION OR EXTINGUISHMENT IN CONSEQUENCE, AND SUBJECT TO THE APPLICATION OF THE LAWS OF THE PROVINCE OF ONTARIO AND THE FEDERAL LAWS OF CANADA APPLICABLE THEREIN IN RESPECT OF THE OPERATION OF THE CDIC ACT WITH RESPECT TO THESE NOTES.]⁵

Final Terms dated [●]

The Bank of Nova Scotia
LEI: L319ZG2KFGXZ61BMYR72
Issue of [Aggregate Principal Amount of Tranche] [Title of Notes]
under the U.S.\$20,000,000,000
Singapore Medium Term Note Programme

PART A – CONTRACTUAL TERMS

This document constitutes the Final Terms relating to the issue of Notes described herein.

Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions (the “**Conditions**”) set forth in the Prospectus dated July 21, 2023 [and the supplemental Prospectus dated [●]] which [together] constitute[s] a base prospectus (the “**Prospectus**”). This document constitutes the Final Terms of the Notes described herein and must be read in conjunction with such Prospectus [as so supplemented] in order to obtain all relevant information. The Prospectus [and the supplemental prospectus] [is] [are] available for viewing during normal office hours at the office of the Fiscal Agent, Registrar and Transfer Agent and copies may be obtained from the principal office of the Issuer. The Prospectus [as supplemented] and (in the case of Notes listed on the SGX-ST) the applicable Final Terms will also be published on the website of the SGX-ST at <http://www.sgx.com>.

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

² Legend to be included on front of the Final Terms if the Notes potentially constitute “packaged” products and no key information document will be prepared, in which case the selling restriction should be specified to be “Applicable”.

³ Relevant Dealer(s) to consider whether it/they have received the necessary product classification from the Issuer prior to the launch of the offer, pursuant to Section 309B of the SFA.

⁴ This language applies if the Notes are intended to be Qualifying Debt Securities for the purposes of the Income Tax Act 1947 of Singapore and must be included if this is the case. In particular, the Qualifying Debt Securities status should be considered whenever there are Singapore banks involved in distributing the Notes, as this status accords certain Singapore tax benefits to Noteholders.

⁵ Legend to be included on front of the Final Terms if the Notes are Bail-inable Notes.

[Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions (the “**Conditions**”) set forth in the Prospectus dated [*original date*] [and the supplemental prospectus to it dated [*date*]] which are incorporated by reference in the Prospectus dated July 21, 2023. This document constitutes the Final Terms of the Notes described herein and must be read in conjunction with the Prospectus dated July 21, 2023 [and the supplemental Prospectus dated [●]], which [together] constitute[s] a base prospectus (the “**Prospectus**”), including the Conditions incorporated by reference in the Prospectus. The Prospectus and the Conditions are available for viewing during normal business hours at the office of the Fiscal Agent, Registrar and Transfer Agent and copies may be obtained from the principal office of the Issuer. The Prospectus dated July 21, 2023 [as supplemented] and (in the case of Notes listed on the SGX-ST) the applicable Final Terms will also be published on the website of the SGX-ST at <http://www.sgx.com>.

[Consider including the following paragraphs for Index Linked Notes, Equity Linked Notes, Commodity Linked Notes, Credit Linked Notes, Fund Linked Notes and Synthetic Currency Notes.]

[No person has been authorised to give any information or make any representation not contained in or not consistent with these Final Terms, or any other information supplied in connection with the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or any Dealer. By investing in the Notes each investor represents that:

(a) *Non-Reliance. It is acting for its own account, and it has made its own independent decisions to invest in the Notes and as to whether the investment in the Notes is appropriate or proper for it based upon its own judgment and upon advice from such advisers as it has deemed necessary. It is not relying on any communication (written or oral) of the Issuer or any Dealer as investment advice or as a recommendation to invest in the Notes, it being understood that information and explanations related to the terms and conditions of the Notes shall not be considered to be investment advice or a recommendation to invest in the Notes. No communication (written or oral) received from the Issuer or any Dealer shall be deemed to be an assurance or guarantee as to the expected results of the investment in the Notes.*

(b) *Assessment and Understanding. It is capable of assessing the merits of and understanding (on its own behalf or through independent professional advice), and understands and accepts the terms and conditions and the risks of the investment in the Notes. It is also capable of assuming, and assumes, the risks of the investment in the Notes.*

(c) *Status of Parties. Neither the Issuer nor any Dealer is acting as a fiduciary for or adviser to it in respect of the investment in the Notes.]*

AN INVESTMENT IN NOTES LINKED TO ONE OR MORE REFERENCE ITEMS MAY ENTAIL SIGNIFICANT RISKS NOT ASSOCIATED WITH INVESTMENTS IN A CONVENTIONAL DEBT SECURITY. THE AMOUNT PAID BY THE ISSUER ON REDEMPTION OF THE NOTES MAY BE LESS THAN THE NOMINAL AMOUNT OF THE NOTES, TOGETHER WITH ANY ACCRUED INTEREST, AND MAY IN CERTAIN CIRCUMSTANCES BE ZERO. [WHERE THE NOTES ARE REDEEMED BY THE ISSUER BY DELIVERY OF REFERENCE ITEM(S) THE VALUE OF THE REFERENCE ITEM(S) MAY BE LESS THAN THE NOMINAL AMOUNT OF THE NOTES, TOGETHER WITH ANY ACCRUED INTEREST, AND MAY IN CERTAIN CIRCUMSTANCES BE ZERO. THE INVESTOR ASSUMES THE CREDIT RISK OF THE ISSUER FOR ALL PAYMENTS UNDER THE NOTES.]

INVESTORS SHOULD BE PREPARED TO SUSTAIN A LOSS OF ALL OR PART OF THEIR INVESTMENT.

The information included herein with respect to indices and/or formulas comprising, based on or referring to variations in the prices of one or more shares in companies, any other equity or non-equity securities, currencies or currency exchange rates, interest rates, credit risks, fund units, shares in investment companies, term deposits, life insurance contracts, loans, commodities or futures contracts on the same or any other underlying instrument(s) or asset(s) or the occurrence or not of certain events not linked to the Issuer or any other factors to which the Notes are linked (the “**Underlyings**”) consists only of extracts from, or summaries of publicly available information. The Issuer accepts responsibility that such extracts or summaries have been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by the issuer, owner or sponsor, as the case may be, of such Underlyings, no facts have been omitted that would render the reproduced extracts or

summaries inaccurate or misleading. No further or other responsibility in respect of such information is accepted by the Issuer. In particular, neither the Issuer nor any Dealer accepts responsibility in respect of the accuracy or completeness of the information set forth herein concerning the Underlyings of the Notes or that there has not occurred any event which would affect the accuracy or completeness of such information.

The purchase of Notes issued under the Programme is associated with certain risks. Each prospective investor in Notes must ensure that the complexity and risks inherent in the Notes are suitable for its investment objectives and are appropriate for itself or the size, nature and condition of its business, as the case may be. No person should deal in the Notes unless that person understands the nature of the relevant transaction and the extent of that person's exposure to potential loss. Each prospective purchaser of Notes should consider carefully whether the Notes are suitable for it in light of its circumstances and financial position. Prospective investors in Notes should consult their own legal, tax, accountancy and other professional advisers to assist them in determining the suitability of the Notes for them as an investment.

INVESTORS SHOULD REFER TO THE SECTION HEADED "RISK FACTORS" IN THE PROSPECTUS FOR A DISCUSSION OF CERTAIN MATTERS THAT SHOULD BE CONSIDERED WHEN MAKING A DECISION TO INVEST IN THE NOTES.

[Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or subparagraphs. Italics denote directions for completing the Final Terms.]

1. Issuer: []
[Indicate branch where applicable]
2. (i) Series Number: []
(ii) Tranche Number: []
(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible).]
(iii) Date on which the Notes will be consolidated and form a single Series: [Not Applicable] [The Notes shall be consolidated, form a single series and be interchangeable for trading purposes with the [] on []/the Issue Date/exchange of the Temporary Bearer Global Note for interests in the Permanent Bearer Global Note, as referred to in paragraph 40 below [which is expected to occur on or after []].]
3. Specified Currency or Currencies: []
4. Aggregate Principal Amount:
(i) Series: []
(ii) Tranche: []
5. Issue Price: [●] per cent. of the Aggregate Principal Amount [plus accrued interest from [insert date] (if applicable)]
6. (i) Specified Denomination(s): []
So long as the Notes are represented by a Temporary Bearer Global Note or a Permanent Bearer Global Note and the relevant clearing system(s) so permit, the Notes shall be tradeable only in principal amounts of at least the Specified Denomination (or if more than one Specified Denomination, the lowest Specified Denomination) and higher integral multiples.
(ii) Calculation Amount: []
[If there is only one Specified Denomination and no integral multiples in excess thereof, insert the Specified Denomination. If there is more than one Specified Denomination and no integral multiples in excess thereof, insert the highest common factor of the Specified Denominations. If there are integral

multiples in excess of the Specified Denomination(s), insert the highest common factor of the integral multiples and the Specified Denomination(s).] [Note: There must be a common factor in the case of integral multiples in excess of the Specified Denomination(s) or two or more Specified Denominations].

7. RMB Notes: [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub- paragraphs of this paragraph)*
- (i) RMB Currency Event: [Applicable/Not Applicable]
- (ii) Relevant Currency: [Specify/As per Conditions]
- (iii) RMB Settlement Centre(s): [Specify/As per Conditions]
8. (i) Issue Date: []
- (ii) Interest Commencement Date: [Specify/Issue Date/Not Applicable]
9. Maturity Date: [Specify date or (for Floating Rate Notes or Fixed Rate Notes without Fixed Coupon Amount) [subject to adjustment for payment purposes only in accordance with the Modified Following Business Day Convention/ Interest Payment Date falling in or nearest to the relevant month and year/ [the “**Scheduled Maturity Date**”, subject as provided in the Credit Linked Conditions and paragraph 31 below]
10. Interest Basis:⁶ [[] per cent. Fixed Rate]
- [subject to change as indicated in paragraph 12 below]
- [SONIA]/ [SOFR]/ [€STR]/ [SORA]/ [] month [EURIBOR] +/- [] per cent. Floating Rate]
- [subject to change as indicated in paragraph 12 below]
- [[] years [insert currency] CMS Reference Rate]
- [Floating Rate Spread]

⁶ If any interest payable on a Reference Item Linked Note issued by the Issuer, or any portion of the principal amount of a Reference Item Linked Note issued by the Issuer in excess of its issue price, is contingent or dependent on the use of or production from property in Canada or is computed by reference to revenue, profit, cash flow, commodity price or any other similar criterion or by reference to dividends, interest on such Note, together with any such portion of such principal, may be subject to Canadian non-resident withholding tax. The Issuer should obtain an opinion of counsel or otherwise obtain confirmation that the Issuer is not obliged to withhold or deduct amounts from payments of principal or interest on account of any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Canada or, in addition, if the Issuer’s branch of account is located outside Canada, the country in which such branch of account is located or any political subdivision or authority therein or thereof having power to tax.

[Range Accrual Note]

[Fixed Rate Resettable Notes]

[Zero Coupon]

[specify other]

In respect of the period from (and including) [the Interest Commencement Date]/[] to (but excluding) [], [[] per cent. per annum Fixed Rate]/[SONIA]/ [SOFR]/ [€STR]/ [SORA]/ [[] month [EURIBOR] +/- [] per cent. Floating Rate]/[[] years [insert currency] CMS Reference Rate]/[Floating Rate Spread]

(further particulars specified below)

[Index Linked Interest] [Equity Linked Interest] [Commodity Linked Interest] [Fund Linked Interest] [Other(specify)]

11. [(a)]Redemption/Payment Basis:¹

[Redemption at par]/[] per cent. of their nominal amount]

[Index Linked Redemption] [Equity Linked Redemption] [Commodity Linked Redemption] [Fund Linked Redemption] [Credit Linked Redemption] [Synthetic Currency] [Dual Currency]

[Partly Paid]

[Instalment] *(Instalment not applicable to Bail-inable Notes or Subordinated Notes)*

[Other (specify)]

[(b)] Protection Amount:

[[] per cent. of the Calculation Amount in respect of payment of the Notes at maturity only but not earlier/Not Applicable⁷]

12. Change of Interest or Redemption/Payment Basis:

[Applicable - Specify details of any provision for convertibility of Notes into another interest or redemption/payment basis]

[Specify the date when any fixed to floating charge change occurs or cross refer to paragraphs 18 and 19 below and identify there]

[Not Applicable]

⁷ Only applies to Reference Item Linked Notes

13. Synthetic Currency Asset Conditions: [Applicable] [Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Payment Currency: []
- (ii) Rate Calculation Date:
- (A) Number of Rate Calculation Business Days: []
- [(B) Rate Calculation Business Days: []]
- (C) Rate Calculation Business Centre(s): [] [Not Applicable]
- [(D) Principal Financial Centre(s): [] [As stated in Synthetic Currency Asset Condition 2(e)]]
- (iii) Synthetic Currency FX Rate:
- [Cross Rate: [Applicable]
- Crossing Currency: []
- Cross Rate Rounding: [Applicable] [Not Applicable]]
- [Number of Cross Rate Rounding Places: []]
- [Synthetic Currency FX Rate] [Specified-Crossing Currency FX Rate]:
- [ISDA Determination: [Applicable]
- Settlement Rate Option: []]
- [FX Price Source Determination: [Applicable] [Not Applicable]
- FX Price Source: []
- Number of FX Settlement Days: []
- FX Settlement Business Centre(s): []]
- [Synthetic Currency Valuation Time] [Specified-Crossing Currency Valuation Time]: []
- Reciprocal Rounding: [Applicable] [Not Applicable]
- [- Number of Reciprocal Rounding Places: []]
- [Crossing-Payment Currency FX Rate]:
- [ISDA Determination: [Applicable]
- Settlement Rate Option: []]

[FX Price Source Determination: [Applicable]

- FX Price Source:

- Number of FX Settlement Days: []

- FX Settlement Business Centre(s): []]

- Crossing-Payment Currency Valuation Time []

- Reciprocal Rounding: [Applicable] [Not Applicable]

[- Number of Reciprocal Rounding Places []]

- Synthetic Currency FX Business Centre(s): [] [Not Applicable]

(iv) Synthetic Currency FX Disruption Events: [Benchmark Obligation Default
Benchmark Obligation: []]
[Price Materiality
Primary Rate: []
Secondary Rate: []
Price Materiality Percentage: []]
[Currency Replacement]
[Dual Exchange Rate]
[Governmental Authority Event]
[Illiquidity]
[Inconvertibility]
[Non-Transferability]
[Price Source Disruption]

(v) Disruption Fallbacks: [Calculation Agent Determination]
[Currency-Reference Dealers]
[Other Published Sources]
[[Postponement]
Maximum Days of Postponement: []]

[Yen Calculation Agent Determination
[FX Reference Banks: []]
[EM Valuation Postponement
[Maximum Days of EM Valuation Postponement: []]
[EM Valuation Fallback Postponement
[Maximum Days of EM Valuation Fallback Postponement: []]
[Fallback Reference Price
[Cross Rate:[Applicable]
Crossing Currency: []
Cross Rate Rounding: [Applicable] /Not Applicable]
[Number of Cross Rate Rounding Places: []]
[Synthetic Currency FX Rate]

[Specified Crossing Currency FX Rate
[ISDA Determination: [Applicable]
Settlement Rate Option: []]
[FX Price Source Determination:
[Applicable]
FX Price Source: []
Number of FX Settlement Days: []
FX Settlement Business Centre(s): []
Synthetic Currency Valuation Time: []]
Reciprocal Rounding: [Applicable]
[Not Applicable]
Number of Reciprocal Rounding
Places: []]
[Crossing-Payment Currency FX Rate:]
[ISDA Determination: [Applicable]
Settlement Rate Option: []]
[FX Price Source Determination:
[Applicable]
FX Price Source: []
Number of FX Settlement Days: []
FX Settlement Business Centre(s): []
Synthetic Currency Valuation Time: []
Reciprocal Rounding: [Applicable]
[Not Applicable]
Number of Reciprocal Rounding
Places: []]
[Cross Rate Fallback:
Fallback Crossing Currency: []]
Cross Rate Rounding: [Applicable]
[Not Applicable]
Number of Cross Rate Rounding
Places: []]
[Synthetic Currency FX Rate]
[Specified-Crossing Currency FX Rate
[ISDA Determination: [Applicable]
Settlement Rate Option: []]
[FX Price Source Determination:
[Applicable]
FX Price Source: []
Number of FX Settlement Days: []
FX Settlement Business Centre(s): []
Synthetic Currency Valuation Time: []

- Reciprocal Rounding: [Applicable]
[Not Applicable]
- Number of Reciprocal Rounding
Places: []
- [Crossing-Payment Currency FX Rate:]
- [ISDA Determination: [Applicable]
[Not Applicable]
- Settlement Rate Option: []
- [FX Price Source Determination:
[Applicable] [Not Applicable]
- FX Price Source: []
- Number of FX Settlement Days: []
- FX Settlement Business Centre(s): []
- Synthetic Currency Valuation Time: []
- Reciprocal Rounding: [Applicable]
[Not
Applicable]
- Number of Reciprocal Rounding
Places: []
- (The above options to be placed in the
specific order in which they are to
apply)
- (vi) Unscheduled Holiday: [Applicable] [Not Applicable]
- [Maximum Days of Unscheduled Holiday
Postponement: []
- Cumulative Events: [Applicable] [Not Applicable]
- [Applicable Events: [Unscheduled Holiday] [and] [EM
Valuation Postponement] [and] [EM
Valuation Fallback Postponement]
- Maximum Days of Cumulative []
Postponement:
- (vii) Calculation Agent (for purpose [] shall be the Calculation Agent
of Synthetic Currency Asset
Condition 2 (if other than
Fiscal Agent)):
14. Put/Call Options: [Issuer's Option]
- [Noteholders' Option] [Not Applicable]
 *(Noteholders' Option not applicable to
Bail-inable Notes or Subordinated
Notes)*
- [(further particulars specified below)]
15. Status of the Notes: [Senior Notes] [Subordinated Notes]

16. Method of distribution: [Syndicated/Non-syndicated]

17. Bail-inable Notes: [Yes/No]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

18. **Fixed Rate Note Provisions:** [Applicable/Not Applicable][Applicable] in respect of the period from [the Interest Commencement Date]/[] to []

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

(i) Interest Rate[(s)]: [] per cent. per annum [payable [annually/semi-annually/quarterly /monthly/other (*specify*)] in arrear]

[In respect of the period from (and including) [the Interest Commencement Date]/[] to (but excluding) [], [] per cent. per annum][and thereafter at a rate per annum equal to the [First Reset Rate of Interest][and Subsequent Reset Rate of Interest] determined in accordance with Condition 4(a)(ii) and paragraph 18(xiii) below][payable [annually/semi-annually/quarterly/monthly] in arrear]

(ii) Interest Payment Date(s): [] in each year up to and including the Maturity Date [adjusted in accordance with [*specify Business Day Convention and any applicable Business Centre(s) for the definition of "Business Day"*] commencing on [], [adjusted/not adjusted]

[N.B. Amend for long or short coupons]

(iii) Business Day Convention: [Floating Rate Business Day Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention] [Not Applicable]

(iv) Business Centre(s): []

(v) Fixed Coupon Amount[(s)]: [] per Calculation Amount/Not Applicable

(vi) Broken Amount(s): [] per Calculation Amount, payable on the Interest Payment Date falling in/on []/Not Applicable

- (vii) Day Count Fraction: [[Actual/365] [Actual/Actual]
[Actual/365 (Fixed)] [Actual/Actual-
ICMA]
[Actual/360]/[Actual/365
Sterling]/[30/360]/[30E/360]/[Eurobon
d Basis]]
- (viii) [Determination Date(s): [] in each year (*insert regular
interest payment dates, ignoring issue
date or maturity date in the case of a
long or short first or last coupon. N.B.
only relevant where Day Count
Fraction is Actual/Actual (ICMA)*)]
- (ix) Calculation Agent: [The Bank of Nova Scotia] []
[Not Applicable]
- (x) Benchmark- Replacement - [Condition 4(n) applies] [Not
ARRC (Condition 4(n)): [Applicable] (*only applies where Notes
reference SOFR*)
- (xi) Other terms relating to the [Not Applicable/*give details*]
method of calculating interest
for Fixed Rate Notes:
- (xii) Range Accrual: [Applicable] [Not Applicable]
*(If not applicable, delete the remaining
sub-paragraphs of this paragraph)*
- Single Range Accrual Note: [Applicable] [Not Applicable]
- Single Range Accrual [EURIBOR] [€STR] [SORA] [CMS]
Reference Rate: [CMS Spread] [SONIA] [SOFR]
- Specific Currency: [] [As set out in paragraph 3
above]
- Specified Maturity: [] [month[s]] [year[s]]
- Relevant Screen Page: []
- Relevant Time: [] [As specified in Condition 4(j)]
- Relevant Financial Centre: []
- Rate Cut Off Date: [] [As specified in Condition
4(d)]
- CMS Spread: [Applicable] [Not Applicable]
- [- First Reference Rate: CMS
- Specified Currency: [] [As set out in paragraph 3
above]
- Specified Maturity: [] [months[s]] [year[s]]

- Relevant Screen Page: []
- Relevant Time: []
- Relevant Financial Centre: []
- Second Reference Rate: CMS
- Specified Currency: [] [As set out in paragraph 3 above]
- Specified Maturity: [] [months[s]] [year[s]]
- Relevant Screen Page: []
- Relevant Time: []
- Relevant Financial Centre: []
- CMS Spread:
 - Rate Cut Off Date: [] [As specified in Condition 4(d)]
 - Cap: [[] per cent. per annum [in respect of the Interest Period ending []]]
[Not Applicable]
[For the purposes of the definition of “N1” in Condition 4(d), [“less than or equal to”][“less than”] shall apply.]
 - Floor: [[] per cent. per annum [in respect of the Interest Period ending []]]
[Not Applicable]
[For the purposes of the definition of “N1” in Condition 4(d), [“greater than or equal to”][“greater than”] shall apply.]
- Dual Range Accrual Note: [Applicable] [Not Applicable]
 - First Dual Range Accrual Reference Rate: [EURIBOR] [€STR] [SORA] [CMS] [CMS Spread] [SONIA] [SOFR]
 - Specified Currency: [] [As set out in paragraph 3 above]
 - Specified Maturity: [] [month[s]] [year[s]]
 - Relevant Screen Page: []
 - Relevant Time: [] [As specified in Condition 4(j)]
 - Relevant Financial Centre: []

- Rate Cut Off Date: [] [As specified in Condition 4(d)]

- Cap: [[] per cent. per annum [in respect of the Interest Period ending []]]
[Not Applicable]
[For the purposes of the definition of “N1” in Condition 4(d), [“less than or equal to”][“less than”] shall apply.]

- Floor: [[] per cent. per annum [in respect of the Interest Period ending []]]
[Not Applicable]
[For the purposes of the definition of “N1” in Condition 4(d), [“greater than or equal to”][“greater than”] shall apply.]

- Second Dual Range Accrual Reference Rate: [EURIBOR] [€STR] [SORA] [CMS] [CMS Spread] [SONIA] [SOFR]

[- Specified Currency: [] [As set out in paragraph 3 above]

- Specified Maturity: [] [month[s]] [year[s]]

- Relevant Screen Page: []

- Relevant Time: [] [As specified in Condition 4(j)]

- Relevant Financial Centre: []

- Cap: [[] per cent. per annum [in respect of the Interest Period ending []]]
[Not Applicable]
[For the purposes of the definition of “N1” in Condition 4(d), [“less than or equal to”][“less than”] shall apply.]

- Floor: [[] per cent. per annum [in respect of the Interest Period ending []]]
[Not Applicable]
[For the purposes of the definition of “N1” in Condition 4(d), [“greater than or equal to”][“greater than”] shall apply.]

[- CMS Spread: [Applicable] [Not Applicable]

- First Reference Rate: CMS

- Specified Currency: [] [As set out in paragraph 3 above]

	- Specified Maturity:	[] [months[s]] [year[s]]
	- Relevant Screen Page:	[]
	- Relevant Time:	[]
	- Relevant Financial Centre:	[]
	- Second Reference Rate:	CMS
	- Specified Currency:	[] [As set out in paragraph 3 above]
	- Specified Maturity:	[] [months[s]] [year[s]]
	- Relevant Screen Page:	[]
	- Relevant Time:	[]
	- Relevant Financial Centre:	[]
	- Rate Cut Off Date:	[] [As specified in Condition 4(d)]
	- Cap:	[[] per cent. per annum [in respect of the Interest Period ending []]] [Not Applicable] [For the purposes of the definition of “N1” in Condition 4(d), [“less than or equal to”][“less than”] shall apply.]
	- Floor:	[[] per cent. per annum [in respect of the Interest Period ending []]] [Not Applicable] [For the purposes of the definition of “N1” in Condition 4(d), [“greater than or equal to”][“greater than”] shall apply.]
(xiii)	Fixed Rate Resettable Note Provisions (Condition 4(a)(ii)):	[Applicable] [Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	- Initial Rate of Interest:	See paragraph 18(i) above
	- First Margin:	[+/-] [] per cent. per annum
	- Subsequent Margin:	[[+/-] [] per cent. per annum] [Not Applicable]
	- First Reset Date:	[] [adjusted in accordance with []]
	- Fixed Leg Swap Duration:	[6 months] [12 months] [] [Not Applicable]

- Floating Leg Swap Duration: [6 months] [12 months] [] [Not Applicable]
- Second Reset Date: [] [adjusted in accordance with []]
- Subsequent Reset Date(s): [] [adjusted in accordance with []] [Not Applicable]
- Reset Rate: [Mid-Swap Rate] [Benchmark Gilt Rate] [Reference Bond] [CMT Rate]
- Relevant Screen Page: [] [Not Applicable]
- Mid-Swap Rate: [[Annualised]/[Semi-annualised]] [[Single Mid-Swap Rate]/ [Mean Mid-Swap Rate]] [Not Applicable]
- Reference Bond: [] [Not Applicable]
- Mid-Swap Floating Leg Benchmark Rate: [EURIBOR] [Overnight SOFR compounded for the Floating Leg Swap Duration] [Overnight SONIA compounded for the Floating Leg Swap Duration] [Overnight SORA compounded for the Floating Leg Swap Duration] [Overnight €STR compounded for the Floating Leg Swap Duration] [Not Applicable]
- Relevant Time: [] [Not Applicable]
- Reset Determination Dates: [] [Not Applicable]
- CMT Designated Maturity: [] [Not Applicable]
- CMT Reset Determination Time: [] [Not Applicable]
- Relevant Currency: [] [Not Applicable]
- Minimum Rate of Interest: [[] per cent. per annum] [Zero per cent. per annum] [Not Applicable]
- Maximum Rate of Interest: [[] per cent. per annum] [Not Applicable]

19. **Floating Rate Note Provisions:** [Applicable/Not Applicable]
 [Applicable in respect of the period from [the Interest Commencement Date]/[] to []]
(If not applicable, delete the remaining sub- paragraphs of this paragraph.)

- (i) Interest Period Dates: [Each Interest Payment Date] [] [, subject to adjustment for calculation of interest purposes in accordance with the Business Day Convention set out in (iii)]

- below/, not subject to adjustment for calculation of interest purposes]
- (ii) Interest Payment Date(s): [] [, subject to adjustment for payment purposes only in accordance with the Business Day Convention set out in (iii) below] [subject to adjustment for calculation of interest and for payment purposes in accordance with the Business Day Convention set out in (iii) below]
- (iii) Business Day Convention: [Floating Rate Business Day Convention/ Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention/ other (*give details*)]
- (iv) Business Centre(s): []
- (v) Manner in which the Interest Rate and Interest Amount is to be determined: [Screen Rate Determination][ISDA Determination][CMS Rate][Floating Rate Spread]
- (vi) Screen Rate Determination: [Applicable][Not Applicable]
 [Terms applicable to the determination of [Floating Rate Spread Rate 1][Floating Rate Spread Rate 2]:] (*only include if Floating Rate Spread is applicable and Screen Rate Determination is applicable to either or both Floating Rate Spread Rates. If both, repeat items in this sub-paragraph for each Floating Rate Spread Rate*)
- (a) Benchmark: [SONIA][SOFR][€STR][SORA] [] month [EURIBOR] [except for the Interest Period ending on [] which the Interest Rate will be determined using linear interpolation between [] month [] and [] month []] (*EURIBOR or other, although additional information is required if other, including fallback provisions in the Agency Agreement*)
- (b) Calculation Method: [Compounded Daily Rate][Compounded Index Rate] (*only applies to SONIA*)
 [Compounded Daily Rate] (*only applies to €STR*)
 [Compounded Daily Rate][SORA Index Average] (*only applies to SORA*)
 [Not Applicable]

- (c) Observation Method: [Lag][Shift] (*only applies where SONIA Compounded Daily Rate specified above*)
 [Observation Look-back Convention][Observation Shift Convention] (*for Compounded Daily SORA and Compounded Daily €STR*)
 [Not Applicable]
- (d) Relevant Screen Page: [] [Not Applicable]
(In the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately)
(Not applicable to SOFR, €STR, SONIA or SORA)
- (e) SONIA Compounded Index: [] [Not Applicable]
(If applicable, include definition of SONIA Compounded Index specifying any relevant Screen Page and its time of publication and including definition of the Screen Page) (Only relevant to Floating Rate Notes that reference SONIA and specify “Not Applicable” under Observation Method above)
- (f) Compounded Daily €STR Convention: Observation Lookback Convention] [Observation Shift Convention] [Not Applicable] (*for €STR*)
- (g) Interest Determination Date(s): [] [The [] London Banking Day prior to the end of each Interest Accrual Period] (*for SONIA*)
 [The [] US Government Securities Business Day prior to each Interest Payment Date] (*for SOFR*)
 [The [] T2 Settlement Day prior to each Interest Payment Date] (*for €STR*)
 [The [] Singapore Business Day prior to each Interest Payment Date] (*for SORA*)
- (h) Relevant Currency: []
(Not Applicable to SONIA, SOFR, €STR and SORA)
- (i) ISDA Determination for Fallback provisions: [Applicable] [Note Applicable]
 (1) Floating Rate Option: []
 (2) Designated Maturity: []
 (3) Reset Date: []

- []
- (j) ARRC Fallbacks: [Applicable][Not Applicable]
(May be applicable only if SOFR is the Reference Rate)
- (k) Relevant Time: [] [Not Applicable]
(Not Applicable to SONIA, SOFR, €STR and SORA)
- (l) Specified Duration: [specify period for quote, if not duration of Interest Period]
(Not Applicable to SONIA, SOFR, €STR and SORA)
- (m) Representative Amount: [] [Not Applicable]
(Not Applicable to SONIA, SOFR, €STR and SORA)
- (n) Observation Look-back Period: [[] London Banking Days][[] US Government Securities Business Days][[] T2 Settlement Days][[] Singapore Business Days] [Not Applicable] *(only applies to SONIA Compounded Daily Rate, SOFR, Compounded Daily €STR and Compounded Daily SORA)*
- (o) Relevant Number: [[] London Banking Days][[] Singapore Business Days][Not Applicable]
(only applies to SONIA Compounded Index Rate and SORA Index Average)
- (vii) ISDA Determination: [Applicable][Not Applicable]
 [Terms applicable to the determination of [Floating Rate Spread Rate 1][Floating Rate Spread Rate 2]:] *(only include if Floating Rate Spread is applicable and ISDA Determination is applicable to either or both Floating Rate Spread Rates. If both, repeat items in this sub-paragraph for each Floating Rate Spread Rate)*
- (a) ISDA Definitions: [2006/2021] ISDA Definitions
- (b) Floating Rate Option: [] *(Ensure this is a Floating Rate Option included in the Floating Rate Matrix (as defined in the 2021 ISDA Definitions if 2021 ISDA Definitions are applied or that it is a Floating Rate Option subject to the ISDA IBORs)*

Supplement if the 2006 Definitions are applied))

- (c) Designated Maturity: [] [except for the Interest Period ending on [] which the Interest Rate will be determined using linear interpolation between [] month [] and [] month []] [Not Applicable] *(This is not required when the Floating Rate Option is an Overnight Floating Rate Option)*
- (d) Reset Date: [] (in the case of a EURIBOR based option, the first day of the Interest Accrual Period or Interest Period)
- (e) Compounding: [Applicable] [Not Applicable] *(If not applicable, delete the remaining items of this subparagraph)*
- Compounding Method: [Compounding with Lookback:
- Lookback: [[] Applicable Business Days]
- [Compounding with Observation Period Shift
- Observation Period Shift: [[] Observation Period Shift Business Days]
- Observation Period Shift Additional Business Days: [] [Not Applicable]
- [Compounding with Lockout
- Lockout: [[] Lockout Period Business Days]
- (f) Averaging: [Applicable] [Not Applicable] *(If not applicable, delete the remaining items of this subparagraph)*
- Averaging Method: Averaging with Lookback
- [Lookback:] [[] Applicable Business Days]]
- [Averaging with Observation Period Shift]
- [Observation Period Shift:] [[] Observation Period Shift Business Days]
- [Observation Period Shift Additional Business Days: []] [Not Applicable]

- [Averaging with Lockout]
- Lockout: [] Lockout Period Business Days]
- Lockout Period Business Days: [] Applicable Business Days]
- (g) Index Provisions: [Applicable]/[Not Applicable] *(If not applicable, delete the remaining items of this subparagraph)*
- Index Method: Compounded Index Method with Observation Period Shift
- Observation Period Shift: [] Observation Period Shift Business Days
- Observation Period Shift Additional Business Days: [] [Not Applicable]
- (h) [Daily Capped Rate and/or Daily Floored Rate]: [Applicable] [Not Applicable] *(If not applicable, delete the remaining items of this subparagraph)*
- [Daily Capped Rate:] [] [%]
- [Daily Floored Rate:] [] [%]
- (i) Unscheduled Holiday: [Applicable] [Not Applicable] *(Only include where the 2021 ISDA Definitions apply)*
- (j) Period End Date/Termination Date adjustment for Unscheduled Holiday: [Applicable] [Not Applicable] *(Only include where the 2021 ISDA Definitions apply)*
- (k) Non-Representative: [Applicable] [Not Applicable] *(Only include where the 2021 ISDA Definitions apply)*
- (l) [Successor Benchmark: [] Successor Benchmark Effective Date: [] *(Only include where the 2021 ISDA Definitions apply)*]]
- (viii) CMS Rate: [Applicable][Not Applicable]
- [Terms applicable to the determination of [Floating Rate Spread Rate 1][Floating Rate Spread Rate 2]:] *(only include if Floating Rate Spread is applicable and CMS Rate is applicable to either or both Floating Rate Spread Rates. If both, repeat items in this subparagraph for each Floating Rate Spread Rate)*
- (a) Relevant Screen Page: []

- (b) Reference Currency: [euro (EUR)][Sterling (GBP)][U.S. dollar (USD)][Singapore dollar (SGD)][Insert other]
- (c) CMS Maturity: []
- (d) Fixed Leg Day Count Basis: []
- (e) Floating Rate Day Count Basis: []
- (f) Specified Fixed Leg: [] [Not Applicable]
- (g) Specified Frequency: []
- (h) Relevant Time: []
- (i) Interest Determination Date(s): []
- (j) Relevant Financial Centre: [insert][Not Applicable] *(only required if Reference Currency is other than EUR, GBP, USD or SGD)*
- (k) ISDA Rate: [] [Not Applicable] *(only applies to CMS Rate)*
- (l) ISDA Rate Designated Maturity: [] [Not Applicable] *(only applies to CMS Rate)*
- (m) ISDA Definitions: [2021 ISDA Definitions] [2006 ISDA Definitions] [Not Applicable] *(only applies to CMS Rate)*
- (ix) Floating Rate Spread: [Applicable][Not Applicable]
- (a) Manner in which the Floating Rate Spread Rate 1 is to be determined: Determined in accordance with [Screen Rate Determination][ISDA Determination][CMS Rate].
- (b) Manner in which the Floating Rate Spread Rate 2 is to be determined: Determined in accordance with [Screen Rate Determination][ISDA Determination][CMS Rate].
- (c) Floating Rate Spread Margin 1: [] [Not Applicable]
- (d) Floating Rate Spread Margin 2: [] [Not Applicable]
- (e) Floating Rate Spread Multiplier 1: [] [Not Applicable]
- (f) Floating Rate Spread Multiplier 2: [] [Not Applicable]

- (g) Maximum Floating Rate Spread 1: [] [[Not Applicable]]
- (h) Maximum Floating Rate Spread 2: [] [[Not Applicable]]
- (i) Minimum Floating Rate Spread 1: [] [[Not Applicable]]
- (j) Minimum Floating Rate Spread 2: [] [[Not Applicable]]
- (x) Range Accrual: [Applicable] [Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- Single Range Accrual Note: [Applicable] [Not Applicable]
- Single Range Accrual Reference Rate: [EURIBOR] [€STR] [SORA] [CMS] [CMS Spread] [SONIA] [SOFR]
- Specified Currency: [] [As set out in paragraph 3 above]
- Specified Maturity: [] [month[s]] [year[s]]
- Relevant Screen Page: []
- Relevant Time: [] [As specified in Condition 4(j)]
- Relevant Financial Centre: []
- Rate Cut Off Date: [] [As specified in Condition 4(d)]
- CMS Spread: [Applicable] [Not Applicable]
- [- First Reference Rate: CMS
- Specified Currency: [] [As set out in paragraph 3 above]
- Specified Maturity: [] [months[s]] [year[s]]
- Relevant Screen Page: []
- Relevant Time: []
- Relevant Financial Centre: []
- Second Reference Rate: CMS
- Specified Currency: [] [As set out in paragraph 3 above]
- Specified Maturity: [] [months[s]] [year[s]]
- Relevant Screen Page: []

- Relevant Time: []
- Relevant Financial Centre: []]
- CMS Spread:
 - Rate Cut Off Date: [] [As specified in Condition 4(d)]
 - Cap: [[] per cent. per annum [in respect of the Interest Period ending []]]
[Not Applicable]
[For the purposes of the definition of “N1” in Condition 4(d), [“less than or equal to”][“less than”] shall apply.]
 - Floor: [[] per cent. per annum [in respect of the Interest Period ending []]]
[Not Applicable]
[For the purposes of the definition of “N1” in Condition 4(d), [“greater than or equal to”][“greater than”] shall apply.]
- Dual Range Accrual Note: [Applicable][Not Applicable]
- First Dual Range Accrual Reference Rate: [EURIBOR] [€STR] [SORA] [CMS] [CMS Spread] [SONIA] [SOFR]
- Specified Currency: [] [As set out in paragraph 3 above]
- Specified Maturity: [] [month[s]] [year[s]]
- Relevant Screen Page: []
- Relevant Time: [] [As specified in Condition 4(j)]
- Relevant Financial Centre: []
- Rate Cut Off Date: [] [As specified in Condition 4(d)]
- Cap: [[] per cent. per annum [in respect of the Interest Period ending []]]
[Not Applicable]
[For the purposes of the definition of “N1” in Condition 4(d), [“less than or equal to”][“less than”] shall apply.]
- Floor: [[] per cent. per annum [in respect of the Interest Period ending []]]

- [Not Applicable]
- [For the purposes of the definition of “N1” in Condition 4(d), [“greater than or equal to”][“greater than”] shall apply.]
- Second Dual Range Accrual Reference Rate: [EURIBOR] [€STR] [SORA] [CMS] [CMS Spread] [SONIA] [SOFR]
- [- Specified Currency: [] [As set out in paragraph 3 above]
- Specified Maturity: [] [month[s]] [year[s]]
- Relevant Screen Page: []
- Relevant Time: [] [As specified in Condition 4(j)]
- Relevant Financial Centre: []
- Cap: [[] per cent. per annum [in respect of the Interest Period ending []]]
- [Not Applicable]
- [For the purposes of the definition of “N1” in Condition 4(d), [“less than or equal to”][“less than”] shall apply.]
- Floor: [[] per cent. per annum [in respect of the Interest Period ending []]]
- [Not Applicable]
- [For the purposes of the definition of “N1” in Condition 4(d), [“greater than or equal to”][“greater than”] shall apply.]]
- [- CMS Spread: [Applicable] [Not Applicable]
- First Reference Rate: CMS
- Specified Currency: [] [As set out in paragraph 3 above]
- Specified Maturity: [] [months[s]] [year[s]]
- Relevant Screen Page: []
- Relevant Time: []
- Relevant Financial Centre: []
- Second Reference Rate: CMS
- Specified Currency: [] [As set out in paragraph 3 above]
- Specified Maturity: [] [months[s]] [year[s]]

- Relevant Screen Page: []
- Relevant Time: []
- Relevant Financial Centre: []]
- Rate Cut Off Date: [] [As specified in Condition 4(d)]
- Cap: [[] per cent. per annum [in respect of the Interest Period ending []]]
[Not Applicable]
[For the purposes of the definition of “N1” in Condition 4(d), [“less than or equal to”][“less than”] shall apply.]
- Floor: [[] per cent. per annum [in respect of the Interest Period ending []]]
[Not Applicable]
[For the purposes of the definition of “N1” in Condition 4(d), [“greater than or equal to”][“greater than”] shall apply.]
- (xi) Margin(s): [+/-][] per cent. per annum
- (xiv) Rate Multiplier: [Applicable/Not Applicable]

(specify formula)
- (xv) Minimum Interest Rate: [[] per cent. per annum]/[Not Applicable]
- (xvi) Maximum Interest Rate: [[] per cent. per annum]/[Not Applicable]
- (xvii) Day Count Fraction: [Actual/Actual][Actual/Actual (ICMA)][Actual/365 (Fixed)][Actual/365 (Sterling)]
[Actual/360][30/360][30E/360][Other]

(See Condition 4(j) for alternatives)
- (xviii) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions: []
- (xix) Effective Date: []
- (xx) Calculation Agent: []

- (xxi) Benchmark Discontinuation – [Applicable] [Not Applicable]
Independent Adviser:
- (xxii) Benchmark Discontinuation – [Condition 4(n) applies] [Not
ARRC Fallback Applicable]
(only applies where Notes reference SOFR)
- (xxiii) Benchmark Discontinuation – [Applicable] [Not Applicable]
ISDA Determination Fallback:
- (1) Floating Rate Option: []
- (2) Designated Maturity: []
- (3) Reset Date: []
- (xxiv) Linear Interpolation: [Applicable – the Rate of Interest for the
[long/short] [first/last] Interest Period
shall be calculated using Linear
Interpolation]
[Not Applicable]
20. **Zero Coupon/High Interest/Low Interest Note Provisions:** [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub- paragraphs of this paragraph)*
- (i) Amortisation Yield: [] per cent. per annum
- (ii) Reference Price: []
- (iii) Any other formula/basis of []
determining amount payable:
- (iv) Day Count Fraction in relation to [Actual/Actual][Actual/Actual
Early Redemption Amounts and (ICMA)][Actual/365
late payment: (Fixed)][Actual/365 (Sterling)]
[Actual/360][30/360][30E/360]
- [Condition 4(j) apply/specify other]
- (Consider applicable day count fraction if not
U.S. dollar denominated)*
21. **Index Linked Interest Note Provisions:** [Applicable/Not Applicable]
- [The provisions of Annex 1 of the Terms and Conditions – *Additional Terms and Conditions for Index Linked Notes* shall apply.]

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

- (i) Index/ Basket of Indices/ Index Sponsor(s): []
 [The [] Index is a Unitary Index/Multi-Exchange Index/Proprietary Index]
 [The Index Sponsor for the [] Index is []]
 [The Index Currency for the [] Index is []]
 []
- (ii) Formula for calculating interest rate: []
- (iii) Calculation Agent responsible for making calculations in respect of the Notes: []
- (iv) Provisions for determining coupon where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable, including market or settlement disruption events: []
- (v) Interest Period or calculation period(s): []
- (vi) Interest Payment Dates: []
- (vii) Business Day Convention: [Floating Rate Convention/ Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other *(give details)*]
- (viii) Business Centre(s): []
- (ix) Minimum Rate of Interest: [] per cent. per annum
- (x) Maximum Rate of Interest: [] per cent. per annum
- (xi) Day Count Fraction: []
- (xii) Averaging: [The Averaging Dates are [].]
 [In the event that an Averaging Date is a Disrupted Day, [Omission/Postponement/ Modified Postponement] will apply.] [Common Scheduled Trading Days will apply.]
(N.B. May only be applicable in relation to Index Linked Notes relating to a Basket)
- (xiii) Index Performance: []

(xiv)	Exchange Rate:	[Applicable/Not Applicable] [insert details]
(xv)	Weighting:	The weighting to be applied to each item comprising the Basket to ascertain the Index Performance is []. (N.B. May only be applicable in relation to Index Linked Notes relating to a Basket)
(xvi)	Exchange(s):	[]
(xvii)	Related Exchange:	[]/[All Exchanges]
(xviii)	Valuation Date(s):	[] [Common Scheduled Trading Days will apply.] <i>(N.B. May only be applicable in relation to Index Linked Notes relating to a Basket)</i>
(xix)	Valuation Time:	[]
(xx)	Observation Date(s):	[]
(xxi)	Observation Period:	[Applicable: [Extension/No Extension]/Not Applicable]
	(a) Observation Period Start Date:	[[Including/Excluding] []/Not Applicable]
	(b) Observation Period End Date:	[[Including/Excluding] []/Not Applicable]
(xxii)	Barrier Event:	[Not Applicable/Barrier Event (intraday)/Barrier Event (closing)/Common Scheduled Trading Days]
(xxiii)	Barrier Level:	[[]/Not Applicable]
(xxiv)	Disrupted Day:	If a Valuation Date, an Averaging Date or an Observation Date, as the case may be, is a Disrupted Day, the relevant level or price will be calculated [insert calculation method] <i>(N.B. Only applicable where provisions in Index Linked Conditions are not appropriate)</i>
(xxv)	Trade Date:	[]
(xxvi)	Additional Disruption Events:	The following Additional Disruption Events apply to the Notes:

- [Change in Law: [Applicable/Not Applicable]] [Hedging Disruption: Applicable/Not Applicable]]
- [Increased Cost of Hedging: Applicable/Not Applicable]]
- (xxvii) Other terms or special conditions: []
22. **Equity Linked Interest Note Provisions:** [Applicable/Not Applicable]
- [The provisions of Annex 2 of the Terms and Conditions – *Additional Terms and Conditions for Equity Linked Notes* shall apply.]
- (If not applicable, delete remaining subparagraphs of this paragraph)*
- (i) Share(s)/Basket of Share(s): []
- (ii) Formula for calculating interest rate: []
- (iii) Calculation Agent responsible for making calculations in respect of the Notes: []
- (iv) Provisions for determining coupon where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable, including market or settlement disruption events: []
- (v) Interest Period or calculation period(s): []
- (vi) Interest Payment Dates: []
- (vii) Business Day Convention: [Floating Rate Convention/ Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other *(give details)*]
- (viii) Business Centre(s): []
- (ix) Minimum Rate of Interest: [] per cent. per annum
- (x) Maximum Rate of Interest: [] per cent. per annum
- (xi) Day Count Fraction: []
- (xii) Averaging: [The Averaging Dates are []].]
[In the event that an Averaging Date is a Disrupted Day,

		[Omission/Postponement/Modified Postponement] will apply.]
		[Common Scheduled Trading Days will apply.]
		<i>(N.B. May only be applicable in relation to Equity Linked Notes relating to a Basket)</i>
(xiii)	Share Performance:	[]
(xiv)	Exchange Rate:	[Applicable/Not Applicable] [<i>insert details</i>]
(xv)	Weighting:	The weighting to be applied to each item comprising the Basket to ascertain the Equity Performance is []. <i>(N.B. May only be applicable in relation to Equity Linked Notes relating to a Basket)</i>
(xvi)	Exchange(s):	[]
(xvii)	Related Exchange:	[]/[All Exchanges]
(xviii)	Valuation Date(s):	[]
		[Common Scheduled Trading Days will apply.]
		<i>(N.B. May only be applicable in relation to Equity Linked Notes relating to a Basket)</i>
(xix)	Valuation Time:	[]
(xx)	Observation Date(s):	[]
(xxi)	Observation Period:	[Applicable: [Extension/No Extension]/Not Applicable]
	(a) Observation Period Start Date:	[[Including/Excluding] []/Not Applicable]
	(b) Observation Period End Date:	[[Including/Excluding] []/Not Applicable]
(xxii)	Barrier Event:	[Not Applicable/Barrier Event (intraday)/Barrier Event (closing)/Common Scheduled Trading Days]
(xxiii)	Barrier Level:	[[]/Not Applicable]
(xxiv)	Disrupted Day:	If a Valuation Date, an Averaging Date or an Observation Date, as the case may be, is a Disrupted Day, the relevant level

or price will be calculated [insert calculation method]

(N.B. Only applicable where provisions in Index Linked Conditions are not appropriate)

- (xxv) Tender Offer: [Applicable/Not Applicable]
- (xxvi) Share Substitution: [Applicable/Not Applicable]
[If Applicable: Share Substitution Criteria is []]
- (xxvii) Local Tax Adjustment: [Applicable/Not Applicable] Local Jurisdiction: []
- (xxviii) Trade Date: []
- (xxix) Additional Disruption Events: The following Additional Disruption Events apply to the Notes:
[Change in Law: Applicable/Not Applicable] [Hedging Disruption: Applicable/Not Applicable]
[Increased Cost of Hedging: Applicable/Not Applicable]
[Increased Cost of Stock Borrow: Applicable/Not Applicable]
[Initial Stock Loan Rate: [Applicable/Not Applicable] []]
[Insolvency Filing: Applicable/Not Applicable]
[Loss of Stock Borrow: Applicable/Not Applicable]
[Maximum Stock Loan Rate: [Applicable/Not Applicable] []]
- (xxx) Other terms or special conditions: []

23. **Commodity Linked Interest Note Provisions:** [Applicable/Not Applicable]
(If not applicable, delete the remaining sub- paragraphs of this paragraph)
[The provisions of Annex 3 of the Terms and Conditions – Additional Terms and Conditions for Commodity Linked Notes shall apply.]

- (i) Commodity/Commodities/Commodity Index/Basket of Commodity Indices:
- (ii) Formula for calculating interest rate: []

- (iii) Calculation Agent responsible for making calculations in respect of the Notes: []
- (iv) Provisions for determining coupon where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable, including market or settlement disruption events: []
- (v) Interest Period or calculation period(s): []
- (vi) Interest Payment Dates: []
- (vii) Business Day Convention: [Floating Rate Convention/ Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (*give details*)]
- (viii) Business Centre(s): []
- (ix) Minimum Rate of Interest: [] per cent. per annum
- (x) Maximum Rate of Interest: [] per cent. per annum
- (xi) Day Count Fraction: []
- (xii) Commodity Reference Price: []
- (xiii) Price Source: []
- (xiv) Exchange: []
- (xv) Delivery Date: []
- (xvi) Pricing Date: []
- (xvii) Common Pricing: [Applicable/Not Applicable] (*N.B. Only applicable in relation to Commodity Linked Notes relating to a Basket*)
- (xviii) Additional Commodity Market Disruption Events: [*specify any applicable additional Commodity Market Disruption Events*]
- Additional provisions for Commodity Trading Disruption: [Not Applicable]
[If Trading Disruption applies, specify any additional futures contracts, options contracts or commodities and the related exchange to which Trading Disruption relates]
- Disruption Fallback(s): [As set out in the Commodity Linked Conditions]/ []

- [Fallback Reference Price: alternate
Commodity Reference Price – []]
[Commodity Cut-off Date: []]
Commodity Index Cut-Off Date: []
- (xix) Commodity Business Day: []
- (xx) Trade Date: []
- (xxi) Weighting: The weighting to be applied to each item comprising the Basket is []
(N.B. Only applicable in relation to Commodity Linked Notes relating to a Basket)
- (xxii) Specified Price: [high price] [low price]
[average of the high price and the low price] [closing price]
[opening price] [bid price] [asked price]
[average of the bid price and the asked price] [settlement price]
[official settlement price] [official price]
[morning fixing] [afternoon fixing]
[spot price] [other]
- (xxiii) Other terms or special conditions: []
24. **Fund Linked Interest Notes:** [Applicable/Not Applicable]
(If not applicable, delete the remaining sub- paragraphs of this paragraph)
[The provisions of Annex 5 of the Terms and Conditions – *Additional Terms and Conditions for Fund Linked Notes* shall apply.]
- (i) Fund/Basket of Funds: [] [The [] Fund is an ETF.]
[[The Exchange for each Fund Share: []]
] [Related Exchange for each Fund Share: []/All Exchanges]
[Underlying Index for each ETF: []]
(N.B. Include for ETFs)
- (ii) Fund Interests: []
- (iii) Formula for calculating interest rate: []
- (iv) Calculation Agent responsible for making calculations in respect of the Notes: []
- (v) Provisions for determining coupon where calculation by []

reference to Fund/Basket of Funds and/or other variable is impossible or impracticable, including market or settlement disruption events:

- (vi) Interest Period or calculation period(s): []
 - (vii) Interest Payment Dates: []
 - (viii) Business Day Convention: [Floating Rate Convention/ Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (*give details*)]
 - (ix) Business Centre(s): []
 - (x) Minimum Rate of Interest: [] per cent. per annum
 - (xi) Maximum Rate of Interest: [] per cent. per annum
 - (xii) Day Count Fraction: []
 - (xiii) Trade Date: []
 - (xiv) Averaging Date(s): []
 - (xv) Valuation Date(s): []
 - (xvi) Valuation Time: []
 - (xvii) Additional Disruption Event: Change in Law: [Applicable/Not Applicable] Hedging Disruption: [Applicable/Not Applicable]
Increased Cost of Hedging: [Applicable/Not Applicable]
 - (xviii) Other terms or special conditions: [Merger Event: Merger Date on or before [the Valuation Date/other]]
25. **Dual Currency Note Provisions:** [Applicable/Not Applicable]
(If not applicable, delete the remaining sub- paragraphs of this paragraph)
- (i) Rate of Exchange/method of the principal and/or calculating interest due: []
 - (ii) Calculation Agent responsible for the principal calculating and/or interest due: []
 - (iii) Provisions applicable where calculations by reference to Rate of Exchange impossible or

impracticable, including market or settlement disruption events:

- (iv) Person at whose option Specified Currency(ies) is/are payable: []

PROVISIONS RELATING TO REDEMPTION

26. **Issuer Option (Call):** [Applicable/Not Applicable]

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

- (i) Optional Redemption Date(s): []
- (ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [[] per Calculation Amount] [] [Fair Market Value]
- ["Early Redemption Unwind Costs": [Applicable] [Not Applicable]]
- "Market Valuation Date": [] *(Only applicable if Fair Market Value specified above)*
- (iii) If redeemable in part:
- (a) Minimum Redemption Amount: [] per Calculation Amount
- (b) Maximum Redemption Amount: [] per Calculation Amount
- (iv) Issuer's Option Period: []
- (v) Minimum period of irrevocable notice:⁸ [15] days
- (vi) Maximum period of irrevocable notice: [30] days

27. **Noteholder Option (Put):** [Applicable/Not Applicable]

(Put Option not applicable to Bail-inable Notes or Subordinated Notes)

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

- (i) Optional Redemption Date(s): []
- (ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [[] per Calculation Amount] [] [Fair Market Value]

⁸ This must not be less than 15 Relevant Business Days.

- [“Early Redemption Unwind Costs”:
[Applicable] [Not Applicable]]
- “Market Valuation Date”: [] (*Only applicable if Fair Market Value specified above*)
- (iii) Noteholder’s Option Period: []
- (iv) Minimum Notice Period:⁹ [] days
- (v) Maximum Notice Period: [] days
28. **Early Redemption for Illegality:** [Applicable] [Not Applicable]
(Only potentially applicable to Senior Notes)
- (i) Minimum Period: [] days
- (ii) Maximum Period: [] days]
29. **Early Redemption for an Administrator/Benchmark Event:** [Applicable] [Not Applicable]
(Only potentially applicable to Senior Notes)
- (i) Minimum Period: [] days
- (ii) Maximum Period: [] days]
30. **Bail-inable Notes – TLAC Disqualification Event Call:** [Applicable][Not Applicable]
- (i) Minimum Period: [] days
- (ii) Maximum Period: [] days]
31. **Final Redemption Amount of each Note:** [[] per Calculation Amount Amount/specify other/Not Applicable]
(For Index Linked, Equity Linked, Commodity Linked, Fund Linked Redemption Notes and Credit Linked Notes state “Not Applicable” and complete relevant section in paragraphs 34 – 38 below)]
32. **Early Redemption Amount:**
- (i) Early Redemption Amount(s) of each Note payable on redemption for taxation reasons [TLAC Disqualification Event], [Regulatory Event], [Illegality] or on event of default and/or the method of calculating the same (or, in the case of Index Linked Notes, following an Index Adjustment Event or Additional [[] per Calculation Amount] [] [Fair Market Value] [“Early Redemption Unwind Costs”:
[Applicable] [Not Applicable]] “Market Valuation Date”: [] (*Only applicable if Fair Market Value specified above*)

⁹ This must not be less than 5 Relevant Business Days.

Disruption Event in accordance with the Index Linked Conditions or, in the case of Equity Linked Notes following certain corporate events or Additional Disruption Event in accordance with the Equity Linked Conditions or in the case of Fund Linked Notes, following a Fund Event and/or the method of calculating the same (if required or if different from that set out in Condition 6(d)):

(N.B. In the case of Index Linked, Equity Linked and Commodity Linked Notes and, Fund Linked Redemption Notes, consider deducting the cost to the Issuer and/or its affiliates of unwinding or adjusting any underlying or related funding and/or hedging arrangements in respect of the Notes)

33. **Provision relating to the NVCC Automatic Conversion:** [Applicable] [Not Applicable: the Notes are not Subordinated Notes]
(Condition 10(b))
- (i) Specified Time: []
- (ii) Prevailing Exchange Rate: []
- (iii) Multiplier: []
34. **Index Linked Redemption Notes:** [Applicable/Not Applicable]
[The provisions of Annex 1 of the Terms and Conditions – *Additional Terms and Conditions for Index Linked Notes* shall apply.]
(If not applicable, delete the remaining sub- paragraphs of this paragraph)
- (i) Index/ Basket of Indices/Index Sponsor(s): []
[The [] Index is a Unitary Index/Multi-Exchange Index/Proprietary Index]
[The Index Sponsor for the [] Index is []]
[The Index Currency for the [] Index is []]
- (ii) Calculation Agent responsible for making calculations in respect of the Notes: []
- (iii) Final Redemption Amount: [] per Calculation Amount
- (iv) Averaging: [The Averaging Dates are [].]
[In the event that an Averaging Date is a Disrupted Day,
[Omission/Postponement/Modified Postponement] will apply.]
[Common Scheduled Trading Days will apply.]

(N.B. May only be applicable in relation to Index Linked Notes relating to a Basket)

- (v) Index Performance: []
- (vi) Payment Date: []
- (vii) Exchange Rate: [Applicable/Not Applicable] [*insert details*]
- (viii) Weighting: The weighting to be applied to each item comprising the Basket to ascertain the Index Performance is []. *(N.B. Only applicable in relation to Index Linked Notes relating to a Basket)*
- (ix) Exchange(s): []
- (x) Related Exchange: []/[All Exchanges]
- (xi) Valuation Date(s): []
- (xii) Valuation Time: []
- (xiii) Observation Date(s): []
- (xiv) Observation Period: [Applicable: [Extension/No Extension]/Not Applicable]
- (a) Observation Period Start Date: [[Including/Excluding][]/Not Applicable]
- (b) Observation Period End Date: [[Including/Excluding][]/Not Applicable]
- (xv) Barrier Event: [Not Applicable/Barrier Event (intraday)/Barrier Event (closing)/Common Scheduled Trading Days]
- (xvi) Barrier Level: [[]/Not Applicable]
- (xvii) Disrupted Day: If a Valuation Date, an Averaging Date or an Observation Date, as the case may be, is a Disrupted Day, the relevant level or price will be calculated [*insert calculation method*]
(N.B. Only applicable where provisions in Index Linked Conditions are not appropriate)
- (xviii) Trade Date: []
- (xix) Additional Disruption Events: The following Additional Disruption Events apply to the Notes:

- [Change in Law] [Hedging Disruption]
[Increased Cost of Hedging]
- (xx) Other terms or special conditions: []
35. **Equity Linked Redemption Notes:** [Applicable/Not Applicable]
(If not applicable, delete the remaining sub- paragraphs of this paragraph)
[The provisions of Annex 2 of the Terms and Conditions – *Additional Terms and Conditions for Equity Linked Notes* shall apply.]
- (i) Equity(ies)/Basket of Equities: []
- (ii) Calculation Agent responsible for making calculations in respect of the Notes: []
- (iii) Final Redemption Amount: [] per Calculation Amount
- (iv) Averaging: [The Averaging Dates are [].]
[In the event that an Averaging Date is a Disrupted Day,
[Omission/Postponement/Modified Postponement] will apply.]
[Common Scheduled Trading Days will apply.]
(N.B. May only be applicable in relation to Equity Linked Notes relating to a Basket)
- (v) Equity Performance: []
- (vi) Exchange Rate: [Applicable/Not Applicable] [*insert details*]
- (vii) Weighting: The weighting to be applied to each item comprising the Basket to ascertain the Equity Performance is []. *(N.B. Only applicable in relation to Equity Linked Notes relating to a Basket)*
- (viii) Exchange(s): []
- (ix) Related Exchange: []/[All Exchanges]
- (x) Valuation Date(s): []
[Common Scheduled Trading Days will apply.]

- (N.B. May only be applicable in relation to Equity Linked Notes relating to a Basket)*
- (xi) Valuation Time: []
- (xii) Observation Date(s): []
 [Common Scheduled Trading Days will apply.]
(N.B. May only be applicable in relation to Equity Linked Notes relating to a Basket)
- (xiii) Observation Period: [Applicable: [Extension/No Extension] /Not Applicable]
- (a) Observation Period Start Date: [[Including/Excluding][]/Not Applicable]
- (b) Observation Period End Date: [[Including/Excluding][]/Not Applicable]
- (xiv) Barrier Event: [Not Applicable/Barrier Event (intraday)/Barrier Event (closing)/Common Scheduled Trading Days]
- (xv) Barrier Level: [[]/Not Applicable]
- (xvi) Disrupted Day: If a Valuation Date, an Averaging Date or an Observation Date, as the case may be, is a Disrupted Day, the relevant level or price will be calculated [*insert calculation method*]
(N.B. Only applicable where provisions in Equity Linked Conditions are not appropriate)
- (xvii) Trade Date: []
- (xviii) Additional Disruption Events: The following Additional Disruption Events apply to the Notes:
 [Change in Law] [Hedging Disruption]
 [Increased Cost of Hedging] [Increased Cost of Stock Borrow] [Initial Stock Loan Rate: []] [Insolvency Filing]
 [Loss of Stock Borrow] [Maximum Stock Loan Rate: []]
- (xix) Other terms or special conditions: []
36. **Commodity Linked Redemption Notes:** [Applicable/Not Applicable]
(If not applicable, delete the remaining sub- paragraphs of this paragraph)

[The provisions of Annex 3 of the Terms and Conditions – *Additional Terms and Conditions for Commodity Linked Notes* shall apply.]

- (i) Commodity/Basket of []
Commodities/Commodity Index/Basket of Commodity Indices:
- (ii) Calculation Agent responsible for making calculations in respect of the Notes: []
- (iii) Final Redemption Amount: [] per Calculation Amount
- (iv) Commodity Reference Price: []
- (v) Price Source: []
- (vi) Exchange: []
- (vii) Delivery Date: []
- (viii) Pricing Date: []
- (ix) Common Pricing: [Applicable] [Not Applicable]
(N.B. Only applicable in relation to Commodity Linked Notes relating to a Basket)
- (x) Additional Commodity Market Disruption Events: [*specify any additional Commodity Market Disruption Events*]

Additional provisions for Commodity Trading Disruption: [Not Applicable]
[If Trading Disruption applies, specify any additional futures contracts, options contracts or commodities and the related exchange to which Trading Disruption relates]

Disruption Fallback(s): [As set out in the Commodity Linked Conditions]/[]
[Fallback Reference Price: alternate Commodity Reference Price – []]
[Commodity Cut-Off Date: []]
[Commodity Index Cut-Off Date: []]
- (xi) Commodity Business Day: []
- (xii) Trade Date: []
- (xiii) Weighting: The weighting to be applied to each item comprising the Basket is []
(N.B. Only applicable in relation to Commodity Linked Notes relating to a Basket)

- (xiv) Specified Price: [high price] [low price]
 [average of the high price and the low price] [closing price]
 [opening price] [bid price] [asked price]
 [average of the bid price and the asked price] [settlement price]
 [official settlement price] [official price]
 [morning fixing] [afternoon fixing]
 [spot price]
 [other]
- (xv) Other terms or special conditions: []
37. **Fund Linked Redemption Notes:** [Applicable/Not Applicable]
 (If not applicable, delete the remaining sub- paragraphs of this paragraph)
 [The provisions of Annex 5 of the Terms and Conditions – *Additional Terms and Conditions for Fund Linked Notes* shall apply.]
- (i) Fund/Basket of Funds: []
 [[The [] Fund is an ETF] [Exchange for each Fund Share: []]
 [Related Exchange for each Fund Share: [/All Exchanges]]
 [Underlying Index: []] (*N.B. Include for ETFs*)
- (ii) Fund Interest(s): []
- (iii) Calculation Agent responsible for making calculation in respect of the Notes: []
- (iv) Final Redemption Amount: [] per Calculation Amount
- (v) Trade Date: []
- (vi) Averaging Date(s): []
- (vii) Valuation Date(s): []
- (viii) Valuation Time: []
- (ix) Additional Disruption Events: Change in Law: [Applicable/Not Applicable] Hedging Disruption: [Applicable/Not Applicable]

- Increased Cost of Hedging:
[Applicable/Not Applicable]
- (x) Other terms or special conditions: []
38. **Credit Linked Notes:** [Applicable/Not Applicable]
(If not applicable, delete the remaining sub- paragraphs of this paragraph)
- (i) Final Redemption Amount: [] per Calculation Amount
- (ii) Trade Date: []
- (iii) Settlement Method: [Auction Settlement/Cash Settlement/Physical Delivery]
*[If Physical Delivery applies, insert:
The provisions of Annex 6 of the Terms and Conditions – Additional Terms and Conditions for Physical Delivery Notes shall apply in addition to the Annex hereto.]*
- (iv) Calculation Agent City:
- (v) Reference Entity(ies):
- (vi) Reference Obligation(s): [Standard Reference Obligation:
[Applicable][Not Applicable]]
[If Standard Reference Obligation is specified, insert and complete as applicable: SeniorityLevel: [Senior Level][Subordinated Level]]
- [The obligation[s] identified as follows: []
- Primary Obligor: []
- Guarantor: []
- Maturity: []
- Coupon: []
- CUSIP/ISIN: []
- (vii) All Guarantees: [Applicable/Not Applicable/See Physical Settlement Matrix]
- (viii) Credit Events: [See Physical Settlement Matrix]
[Bankruptcy]
[Failure to Pay]

[Grace Period Extension:
[Applicable/NotApplicable/See
Physical Settlement Matrix]]

[If Applicable insert:

Grace Period: []]

[Obligation Default]

[Obligation Acceleration]

[Repudiation/Moratorium]

[Restructuring]

– Provisions relating to Restructuring
Credit Event: Credit Linked
Condition 13 [Applicable/Not
Applicable]

– Provisions relating to Multiple
Holder Obligation: Credit Linked
Condition 14 [Applicable/Not
Applicable]

– Mod Mod R [Applicable/Not
Applicable]

– Mod R [Applicable/Not
Applicable]

[Governmental Intervention]

[other]

Default Requirement: [[]/See Physical Settlement
Matrix]

Payment Requirement: [[]/See Physical Settlement
Matrix]

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

[If Applicable:

Public Source(s): []]

Specified Number: []]

(x) Obligation(s):

Obligation Category: [See Physical Settlement Matrix]

(select one only) [Payment]

[Borrowed Money]

		[Reference Obligation Only]
		[Bond]
		[Loan]
		[Bond or Loan]
Obligation Characteristics:		[See Physical Settlement Matrix]
(select all of which apply)		[Not Subordinated]
		[Credit Linked Specified Currency:
		[specify currency] [Standard Specified Currencies]]
		[Not Sovereign Lender]
		[Not Domestic Currency]
		[Domestic Currency means: [specify currency]]
		[Not Domestic Law]
		[Listed]
		[Not Domestic Issuance]
	Additional Obligation(s):	[]
(xi)	Excluded Obligation(s):	[]
(xii)	Accrual of Interest upon Credit Event:	[Applicable/Not Applicable]
(xiii)	Merger Event:	Credit Linked Condition 11 [Applicable/Not Applicable]
		[If Applicable:
		Merger Event Redemption Amount: []
		Merger Event Redemption Date:[]]
(xiv)	Unwind Costs:	[Standard Unwind Costs/other/Not Applicable]
(xv)	Provisions relating to Monoline Insurer as Reference Entity:	Credit Linked Condition 15 [Applicable/Not Applicable/See Physical Settlement Matrix]
(xvi)	Provisions relating to LPN Reference Entities:	Credit Linked Condition 17 [Applicable/Not Applicable/See Physical Settlement Matrix]

(xvii)	Credit Event Redemption Amount:	[[] per Calculation Amount]/[Credit Linked Condition 12 applies]/[Not Applicable]
(xviii)	Credit Event Redemption Date:	[] Business Days/[Not Applicable]
(xix)	Valuation Date:	[Applicable/Not Applicable] [Single Valuation Date: [] Business Days] [Multiple Valuation Dates: [] Business Days; and each [] Business Days thereafter Number of Valuation Dates: []]
(xx)	Valuation Time:	[11 a.m. London time]/[]/[Not Applicable]
(xxi)	Indicative Quotations:	[Applicable/Not Applicable]
(xxii)	Quotation Method:	[Bid/Offer/Mid-market]/[Not Applicable]
(xxiii)	Quotation Amount:	[[]/Representative Amount]/[Representative Amount]/[Not Applicable]
(xxiv)	Minimum Quotation Amount:	[]/[Not Applicable]
(xxv)	Quotation Dealers:	[]/[Not Applicable]
(xxvi)	Accrued Interest:	[Include Accrued Interest/Exclude Accrued Interest]
(xxvii)	Valuation Method:	[Market/Highest/Weighted Highest] [Average Market/Highest/Average Highest] [Not Applicable]
(xxviii)	Fallback Settlement Method:	[Cash Settlement/Physical Delivery/Not Applicable] <i>[If Physical Delivery insert: The provisions of Annex 6 of the Terms and Conditions – Additional Terms and Conditions for Physical Delivery Notes shall apply if the Fallback Settlement Method is applicable]</i>
(xxix)	Physical Settlement Period:	[[] Business Days]/[Not Applicable]

- (xxx) Accrued Interest on Entitlement: [See the definition of “Accrued Interest” in Credit Linked Condition 12]/[Not Applicable]
- (xxxi) Settlement Currency: []/[Not Applicable]
- (xxxii) Deliverable Obligations:
- | | | |
|------------------------------------|------------|---|
| Deliverable Category: | Obligation | [See Physical Settlement Matrix] |
| <i>(select one only)</i> | | [Payment] |
| | | [Borrowed Money] [Reference Obligation Only] [Bond] |
| | | [Loan] |
| | | [Bond or Loan] |
| Deliverable Characteristics: | Obligation | [See Physical Settlement Matrix] |
| <i>(select all of which apply)</i> | | [Not Subordinated] |
| | | [Credit Linked Specified Currency: |
| | | [specify currency] [Standard Specified Currencies]] |
| | | [Not Sovereign Lender] |
| | | [Not Domestic Currency] |
| | | [Domestic Currency means: [specify currency]] |
| | | [Not Domestic Law] |
| | | [Listed] |
| | | [Not Domestic Issuance] |
| | | [Assignable Loan] |
| | | [Consent Required Loan] |
| | | [Direct Loan Participation] |
| | | [Qualifying Participation Seller: [insert details]] |
| | | [Transferable] |
| | | [Maximum Maturity: []] |
| | | [Accelerated or Matured] |
| | | [Not Bearer] |

			Sovereign No Asset Package Delivery: [Applicable/Not Applicable/See Physical Settlement Matrix]
	Additional Obligation(s):	Deliverable	[]/[Not Applicable]
(xxxiii)	Excluded Obligation(s):	Deliverable	[]/[Not Applicable]
(xxxiv)	Indicative Quotations:		[Applicable/Not Applicable]
(xxxv)	Cut-Off Date:		[]/[Not Applicable]
(xxxvi)	Delivery provisions for Entitlement if different from Physical Delivery Note Conditions:		[]/[Not Applicable]
(xxxvii)	Physical Settlement Matrix:		[Applicable/Not Applicable]
			[If the Physical Settlement Matrix applies insert: Date of Physical Settlement Matrix: [March 5, 2018/specify other] Transaction Type: <i>[specify] (Specify per Reference Entity)</i> <i>(N.B. if a version Physical Settlement Matrix other than that of March 5, 2018 is to be used or a Transaction Type is to be specified which applies supplement(s)/additional provisions not included in the Credit Linked Conditions, consider what amendments may be required to the Credit Linked Conditions to reflect this)</i> Date of Physical Settlement Matrix: [March 5, 2018/specify other] Transaction Type: <i>[specify] (Specify per Reference Entity)</i> <i>(N.B. if a version Physical Settlement Matrix other than that of March 5, 2018 is to be used or a Transaction Type is to be specified which applies supplement(s)/additional provisions not included in the Credit Linked Conditions, consider what amendments may be required to the Credit Linked Conditions to reflect this)</i>
(xxxviii)	Subordinated Insurance Terms:	European	[Applicable/Not Applicable/See Physical Settlement Matrix]
(xxxix)	Financial Reference Terms:	Entity	[Applicable/Not Applicable/See Physical Settlement Matrix]

- (xl) Reference Obligation Only Termination Amount: [] /Not Applicable
(N.b. to be specified for the purposes of Credit Linked Condition 19 for Reference Obligation Only Notes relating to a single Reference Entity)
- (xli) Provisions relating to CoCo Reference Entities: Credit Linked Condition 23: [Applicable/Not Applicable/See Physical Settlement Matrix]
[If Applicable, insert if required: Trigger Percentage:
(N.B. Consider whether this should be specified per Reference Entity)
- (xlii) Credit Linked Business Day Convention: [Following/Modified Following/Preceding]
- (xliii) Nth-to-Default Credit Linked Notes: Credit Linked Condition 25: [Applicable/Not Applicable]
[If Applicable, insert: Relevant Number: [] Spread Percentage Requirement: []%
(N.b. In the case of Nth-to-Default Credit Linked Notes, this section 34 of the Final Terms should cover the relevant election for each Reference Entity where appropriate, e.g. by setting out the relevant election in relation to each Reference Entity in the relevant item, or by setting out in a table form annexed to this Final Terms (in which case state “See Annex to this Final Terms” for each relevant item))
- (xliv) Provisions relating to Narrowly Tailored Credit Events: Credit Linked Condition 26: [Applicable] [Not applicable]
 [As per Physical Settlement Matrix]
[If the Provisions relating to Narrowly Tailored Credit Events apply, insert:
 [Fallback Discounting: [Applicable] [Not applicable]]
 [Credit Deterioration Requirement: [Applicable] [Not applicable]]]
- (xlv) Other terms or special conditions: []
39. **Physical Delivery Notes:** [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)

(N.B. Not applicable to Credit Linked Notes) [Cash Settlement/Physical Delivery/Cash Settlement and/or Physical Delivery] (If Cash Settlement and/or Physical Delivery specified, specify details for determining in what circumstances Cash Settlement or Physical Delivery will apply)

[The provisions of Annex 6 of the Terms and Conditions - *Additional Terms and Conditions for Physical Delivery Notes* shall apply.]

- (i) Relevant Asset(s): []
- (ii) Entitlement: []
- (iii) Cut-Off Date: []
- (iv) Guaranteed Cash Settlement Amount: []
- (v) Failure to Deliver due to Illiquidity: []
- (vi) Delivery provisions for Entitlement if different from Physical Delivery Note Conditions: []
[Applicable/Not Applicable]
- (vii) Settlement Business Day: []
- (viii) Issuer's option to vary Settlement: [Applicable/Not Applicable]
- (ix) Other terms or special Conditions: []

GENERAL PROVISIONS APPLICABLE TO THE NOTES

- 40. Form of Notes: **Bearer Notes (Classic Global Note form):**
[Temporary Bearer Global Note exchangeable for a Permanent Bearer Global Note which is exchangeable for [definitive Notes on [] days' notice/at any time/in the limited circumstances specified in the Permanent Bearer Global Note] [and/or Registered Notes]]

[Temporary Bearer Global Note exchangeable for [definitive Notes on [] days' notice] [and/or Registered Notes]]

- [Permanent Bearer Global Note exchangeable for [definitive Notes on [] days' notice/at any time/in the limited circumstances specified in the Permanent Bearer Global Note]] [Registered Notes]]
- [If paragraph 6(i) provides for a Specified Denomination and higher integral multiples, the option to exchange into definitive notes at any time must be disapplied]*
- [Registered Notes (Classic Safekeeping Structure)]**
- [Registered Notes in the form of a Certificate (U.S.\$[] nominal amount) registered in the name of a nominee for a common depository for Euroclear and Clearstream, Luxembourg]
41. Financial Centre(s) or other special provisions relating to Payment Dates: (Note Condition 6(h)) [Not Applicable/give details.] *[Note that this paragraph relates to the date and place of payment, and not interest period end dates, to which paragraphs 18(iv), 19(iv), 21(viii), 22(viii) and 23(viii), relate]*
42. Talons for future Coupons or Receipts to be attached to definitive Notes (and dates on which such Talons mature): [Yes/No.] *[If yes, give details]*
43. Unmatured Coupons to become void on early redemption: [Yes/No]
44. Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment: [Not Applicable/give details.] *[N.B. a new form of Temporary Bearer Global Note and/or Permanent Bearer Global Note may be required for Partly Paid issues]*
45. Details relating to Instalment Notes: Instalment Amount, Instalment Date: [Not Applicable/give details]
46. Redenomination: [Not Applicable/The provisions [in Condition [•]] [annexed to this Final Terms] apply] *[(If Redenomination is applicable, specify the applicable Day Count Fraction and any provisions necessary to deal with floating rate interest calculation (including alternative reference rates))]*
47. U.S. Tax Considerations: [The Notes will be treated as Specified Securities (as defined in the Prospectus) for purposes of Section 871(m) of the U.S. Internal Revenue Code of 1986.

Additional information may be obtained by contacting the [Issuer] at [●]. [As at the date of these Final Terms, the Issuer has not determined whether the Notes are Specified Securities for purposes of Section 871(m) of the U.S. Internal Revenue Code of 1986; however, indicatively it considers that they will [not] at be Specified Securities for these purposes. This is indicative information only, subject to change, and if the Issuer's final determination is different then it will give notice of such determination. Additional information may be obtained by contacting the [Issuer] at [●].]¹⁰ [Not applicable.] *(The Notes will not be Specified Securities if they (i) are issued prior to January 1, 2025 and are not "delta-one" for U.S. tax purposes or (ii) do not reference any U.S. equity or any index that contains any component U.S. equity or otherwise provide direct or indirect exposure to U.S. equities. If the Notes reference a U.S. equity or an index that contains a component U.S. equity or otherwise provide direct or indirect exposure to U.S. equities and (i) are issued on or after January 1, 2017 and are "delta-one" for U.S. tax purposes, or (ii) are issued on or after January 1, 2025, further analysis would be required. If the Notes are Specified Securities, include the "Additional information" sentence and provide the appropriate contact information at the Issuer.)*

48. Condition 6(k) (Payment in Alternative Currency): [Applicable] [Not Applicable]
49. Calculation Agent for purposes of Condition 6(k) (if other than the Fiscal Agent): [Applicable] [Not Applicable]
50. Other terms or special conditions: [Not Applicable/give details]

DISTRIBUTION

51. (i) If syndicated, names and addresses of Managers and underwriting commitments: [Not Applicable/give names]
(Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and names and addresses of the entities agreeing to place the issue without a firm commitment or on a "best efforts" basis if such entities are not the same as the Managers.)

¹⁰ This formulation to be used if the Issuer has not made a determination regarding whether the Notes are Specified Securities as of the date of the Final Terms.

- (ii) Date of Subscription Agreement: []
- (iii) Stabilising Manager(s) (if any): [Not Applicable/give name]
52. If non-syndicated, name and address of relevant Dealer: [Not Applicable/give name]
53. Total commissions and concessions: [] per cent. of the Aggregate Principal Amount
54. Prohibition of Sales to EEA Retail Investors: [Applicable] [Not Applicable]
(If the Notes clearly do not constitute “packaged” products, or the Notes do constitute “packaged” products and a key information document will be prepared in the EEA, “Not Applicable” should be specified. If the Notes may constitute “packaged” products and no key information document will be prepared or if the Issuer wishes to prohibit offers of Senior Notes to EEA retail investors for any other reason or the Notes are Subordinated Notes or Bail-inable Notes, “Applicable” should be specified)
55. Prohibition of Sales to UK Retail Investors: [Applicable] [Not Applicable]
(If the Notes clearly do not constitute “packaged” products, or the Notes do constitute “packaged” products and a key information document will be prepared in the UK, “Not Applicable” should be specified. If the Notes may constitute “packaged” products and no key information document will be prepared or if the Issuer wishes to prohibit offers of Senior Notes to UK retail investors for any other reason or the Notes are Subordinated Notes or Bail-inable Notes, “Applicable” should be specified)
56. Canadian Sales Restrictions: [Canadian Sales Permitted] [Canadian Sales Not Permitted]
57. Additional selling restrictions: [Not Applicable/give details]
58. U.S. Selling Restrictions: [Reg. S Compliance Category 2; TEFRA C/TEFRA D/TEFRA not applicable]

[ADDITIONAL INFORMATION]

For so long as the Notes are listed on the SGX-ST and the rules of the SGX-ST so require, the Issuer will appoint and maintain a paying agent in Singapore, where the Notes may be presented or surrendered for payment or redemption, if Notes in definitive form are issued in exchange for Bearer Global Notes. The Issuer will announce

through the SGX-ST any issue of Notes in definitive form in exchange for Bearer Global Notes, including in the announcement all material information on the delivery of the Notes in definitive form and details of the paying agent in Singapore. The Notes will be traded on the SGX-ST in a minimum board lot size of SGD200,000 (or its equivalent in other currencies) or such other amount as may be allowed or required from time to time for as long as the Notes are listed on the SGX-ST.]

(Include if Notes are listed on the SGX-ST and the rules of the SGX-ST so require. Otherwise, delete this section. Note that if Notes are listed on another exchange similar or alternative restrictions may be applicable.)

RESPONSIBILITY

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

Signed on behalf of the Issuer:

By: _____

Duly authorised

PART B – OTHER INFORMATION

1. **LISTING AND ADMISSION TO TRADING** [Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [*specify relevant market*] with effect from[].] [Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [*specify relevant market*] with effect from [].] [Not Applicable.]

(Where documenting a fungible issue need to indicate that original securities are already admitted to trading.)

2. **RATINGS** [The Notes to be issued [have been]/[are expected to be] rated [*insert details*] by [*insert the legal name of the relevant credit rating agency entity(ies)*].]

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

[The Notes have not specifically been rated.]

3. **[Index-Linked or other variable-linked Interest Notes only – PERFORMANCE OF INDEX/FORMULA/other variable, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING**

Need to include details of where past and future performance and volatility of the index/formula/other variable can be obtained and a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident. Where 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. Where the underlying is not an index, need to include equivalent information.

The Issuer [[intends to provide post-issuance information [*specify what information will be reported and where it can be obtained*]] [does not intend to provide post-issuance information].]

4. **[Dual Currency Notes only - PERFORMANCE OF RATE[S] OF EXCHANGE**

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

[Notes subject to the Synthetic Currency Asset Conditions only - PERFORMANCE OF RATE OF EXCHANGE AND OTHER INFORMATION CONCERNING THE RATES OF EXCHANGE

[An example of how the value of the investment is affected by the value of the underlying may be included.]

[Need to include details of where past and future performance and volatility of the relevant rates of exchange can be obtained.]

[Identify source of all third party information.]

[Not Applicable]]

5. **OPERATIONAL INFORMATION**

(i) ISIN Code: []

(ii) Common Code: []

- (iii) Any clearing system(s)[Not applicable/*give name(s) and numbers*]
other than Euroclear and
Clearstream,
Luxembourg and the
relevant identification
number(s):
- (iv) Delivery: Delivery [against/free of] payment
- (v) Names and addresses of[None/*specify*]
initial Paying Agent(s)
(if any):
- (vi) Names and addresses of[]
additional Paying
Agents (if any):

ANNEX 1

ADDITIONAL TERMS AND CONDITIONS FOR INDEX LINKED NOTES

1. Interpretation

If specified as applicable in the applicable Final Terms, the terms and conditions applicable to Index Linked Notes shall comprise the terms and conditions of the Notes (the “Note Conditions”) and the Additional Terms and Conditions for Index Linked Notes set out below (the “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 Note Conditions and the Index Linked Conditions, the Index Linked Conditions shall prevail. In the event of any inconsistency between (i) the Note Conditions and/or the Index Linked Conditions and (ii) the applicable Final Terms, the applicable Final Terms shall prevail.

2. Definitions

For the purposes of these Index Linked Conditions:

“**Averaging Cut-Off Date**” means the eighth Scheduled Trading Day (or, where the Index Linked Notes relate to a Basket of Indices and the applicable Final Terms provides that “Common Scheduled Trading Days” shall be applicable, the eighth Common Scheduled Trading Day) immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, or on account of such date not being a Scheduled Trading Day (or, where the Index Linked Notes relate to a Basket of Indices and the applicable Final Terms provides that “Common Scheduled Trading Days” shall be applicable, a Common Scheduled Trading Day), would have been the final Averaging Date, or, if earlier, the Scheduled Trading Day (or, where the Index Linked Notes relate to a Basket of Indices and the applicable Final Terms provides that “Common Scheduled Trading Days” shall be applicable, the Common Scheduled Trading Day) falling on or immediately preceding the second Business Day immediately preceding the date on which payment of any amount or delivery of any assets may have to be made pursuant to any calculation or determination made on the relevant Averaging Dates, provided that the Averaging Cut-Off Date shall not fall prior to the original date on which the final Averaging Date was scheduled to fall.

“**Averaging Date**” means each date specified as an Averaging Date in the applicable Final Terms or, if any such date is not a Scheduled Trading Day, the immediately following Scheduled Trading Day, or, if earlier, the Averaging Cut-Off Date (or, where the Index Linked Notes relate to a Basket of Indices and the applicable Final Terms provides that “Common Scheduled Trading Days” shall be applicable, each date specified as an Averaging Date in the applicable Final Terms or, if any such date is not a Common Scheduled Trading Day, the immediately following Common Scheduled Trading Day). If any such day is a Disrupted Day:

- (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 or price provided that, if through the operation of this provision there would not be an Averaging Date, then the provisions of the definition of “Valuation Date” will apply for purposes of determining the relevant level or price on the final Averaging Date, as if such final Averaging Date were a Valuation Date that was a Disrupted Day; or
- (b) if “**Postponement**” is specified as applying in the applicable Final Terms, then the provisions of the definition of “Valuation Date” will apply for the purposes of determining the relevant level, price or amount on that Averaging Date as if such Averaging Date were a Valuation Date that was a Disrupted Day irrespective of whether, pursuant to such determination, that deferred Averaging Date would fall on a day that already is or is deemed to be an Averaging Date; or
- (c) if “**Modified Postponement**” is specified as applying in the applicable Final Terms then:
 - (i) where the Index Linked Notes relate to a single Index, the Averaging Date shall be the first succeeding Valid Date (as defined below). If the first succeeding Valid Date has not

occurred as of the Valuation Time on the Averaging Cut-Off Date or if such Averaging Date falls on the Averaging Cut-Off Date owing to the original date on which it was scheduled to fall not being a Scheduled Trading Day for the Index, then (A) the Averaging Cut-Off Date shall be deemed to be the Averaging Date (irrespective of whether the Averaging Cut-Off Date is already an Averaging Date), and (B) the Calculation Agent shall determine the relevant level or price for that Averaging Date in accordance with sub-paragraph (a)(ii) of the definition of “Valuation Date” below;

- (ii) where the Index Linked Notes relate to a Basket of Indices, the Averaging Date for each Index not affected by the occurrence of a Disrupted Day shall be the originally designated Averaging Date (following adjustment of such date owing to the original date not being a Scheduled Trading Day, if applicable) (the “**Scheduled Averaging Date**”) and the Averaging Date for an Index affected by the occurrence of a Disrupted Day shall be the first succeeding Valid Date (as defined below) in relation to such Index. If the first succeeding Valid Date in relation to such Index has not occurred as of the Valuation Time on the Averaging Cut-Off Date or if such Averaging Date falls on the Averaging Cut-Off Date owing to the original date on which it was scheduled to fall not being a Scheduled Trading Day for the Index, then (A) the Averaging Cut-Off Date shall be deemed to be the Averaging Date (irrespective of whether the Averaging Cut-Off Date is already an Averaging Date) in relation to such Index, and (B) the Calculation Agent shall determine the relevant level or price for that Averaging Date in accordance with sub-paragraph (b)(ii) of the definition of “Valuation Date” below; or
- (iii) where the Index Linked Notes relate to a Basket of Indices and the applicable Final Terms provides that “Common Scheduled Trading Days” shall be applicable, the Averaging Date for each Index shall be the first succeeding Common Valid Date (as defined below) in relation to such Index. If the first succeeding Common Valid Date has not occurred as of the Valuation Time on the Averaging Cut-Off Date or if such Averaging Date falls on the Averaging Cut-Off Date owing to the original date on which it was scheduled to fall not being a Common Scheduled Trading Day, then (A) the Averaging Cut-Off Date shall be deemed to be the Averaging Date (irrespective of whether the Averaging Cut-Off Date is already an Averaging Date), and (B) the Calculation Agent shall determine the relevant level or price for that Averaging Date in accordance with sub-paragraph (c)(ii) of the definition of “Valuation Date” below, for the purposes of these Index Linked Conditions “Valid Date” means a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date does not or is deemed not to occur, and “Common Valid Date” means a Common Scheduled Trading Day that is not a Disrupted Day for any Index, and on which another Averaging Date does not or is deemed not to occur.

“**Barrier Event Determination Day**” means, in respect of each Index and each Observation Period:

- (a) if the applicable Final Terms provide that the Barrier Event (intraday) provisions shall apply, each day on which the level of such Index is published and/or disseminated by the Index Sponsor during such Observation Period, regardless of whether or not such day is a Scheduled Trading Day for such Index (and if the Calculation Agent in its sole and absolute discretion determines that a Market Disruption Event is occurring at any time on any Barrier Event Determination Day, it shall disregard the period during which it determines in its sole and absolute discretion that such Market Disruption Event has occurred and is continuing for the purposes of determining whether or not a Barrier Event (intraday) has occurred);
- (b) if the applicable Final Terms provide that the Barrier Event (closing) provisions shall apply, each Scheduled Trading Day for such Index during such Observation Period that is not a Disrupted Day for such Index; or
- (c) where the Index Linked Notes relate to a Basket of Indices and the applicable Final Terms provides that “Common Scheduled Trading Days” shall be applicable, each Common Scheduled Trading Day that is not a Disrupted Day for any Index in the Basket of Indices.

“Barrier Event Valuation Time (closing)” means:

- (a) in relation to an Index which is specified in the applicable Final Terms as being a Unitary Index, the Scheduled Closing Time on the relevant Exchange on the relevant Barrier Event Determination Day, as the case may be, in relation to each Index to be valued. If the relevant Exchange closes prior to its Scheduled Closing Time and the specified Barrier Event Valuation Time (closing) is after the actual closing time for its regular trading session, then the Barrier Event Valuation Time (closing) shall be such actual closing time; and
- (b) in relation to an Index which is specified in the applicable Final Terms as being a Multi-Exchange Index, (i) for the purposes of determining whether a Market Disruption Event has occurred: (x) in respect of any Component Security, the Scheduled Closing Time on the relevant Exchange and (y) in respect of any options contracts or futures contracts on the Index, the close of trading on the relevant Related Exchange, and (ii) in all other circumstances, the time at which the official closing level of the Index is calculated and published by the Index Sponsor; and
- (c) in relation to an Index which is specified in the applicable Final Terms as being a Proprietary Index, the time at which the Index Sponsor calculates and publishes the official closing level of the Index.

“Barrier Event Valuation Time (intraday)” means any time during the regular trading session (without regard to any after hours or any other trading outside of the regular session) on the Exchange.

“Barrier Level” means, in respect of an Index, such level for such Index as is specified in the applicable Final Terms.

“Basket of Indices” means, subject to adjustment in accordance with these Index Linked Conditions, a basket composed of indices in their relative proportions or number of indices, as specified in the applicable Final Terms.

“Common Scheduled Trading Day” means, in respect of a Basket of Indices, each day which is a Scheduled Trading Day for all the Indices in the Basket of Indices.

“Component Security” means, in respect of an Index, any share or other component security included in such Index as determined by the Calculation Agent and related expressions shall be construed accordingly.

“Disrupted Day” means:

- (a) in relation to an Index which is specified in the applicable Final Terms as being a Unitary Index, any Scheduled Trading Day on which a relevant Exchange or any Related Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred;
- (b) in relation to an Index which is specified in the applicable Final Terms as being a Multi-Exchange Index, any Scheduled Trading Day on which (i) the Index Sponsor fails to publish the level of the Index (provided that the Calculation Agent may, in its discretion, determine that such event instead results in the occurrence of an Index Disruption), (ii) the Related Exchange fails to open for trading during its regular trading session or (iii) a Market Disruption Event has occurred; and
- (c) in relation to an Index which is specified in the applicable Final Terms as being a Proprietary Index, any Scheduled Trading Day on which a Market Disruption Event has occurred (provided that the Calculation Agent may, in its discretion, determine that such event instead results in the occurrence of an Index Disruption).

“Early Closure” means:

- (a) in relation to an Index which is specified in the applicable Final Terms as being a Unitary Index, the closure on any Exchange Business Day of any relevant Exchange(s) relating to securities 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 Related Exchange(s) at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange(s) or Related Exchange(s) on such Exchange Business Day and (ii) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day; or

- (b) in relation to an Index which is specified in the applicable Final Terms as being a Multi-Exchange Index, the closure on any Exchange Business Day of the Exchange in respect of any Component Security 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, or (ii) the submission deadline for orders to be entered into on the relevant Exchange or Related Exchange system for execution at the relevant Valuation Time on such Exchange Business Day.

“Exchange” means:

- (a) in relation to an Index which is specified in the applicable Final Terms as being a Unitary Index, 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 securities comprising such Index has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the securities comprising such Index on such temporary substitute exchange or quotation system as on the original Exchange); and
- (b) in relation to an Index which is specified in the applicable Final Terms as being a Multi-Exchange Index, in respect of each Component Security, the principal stock exchange on which such Component Security is principally traded, as determined by the Calculation Agent.

“Exchange Business Day” means:

- (a) where the relevant Index is specified in the applicable Final Terms to be a Unitary Index, any Scheduled Trading Day on which each Exchange and each Related Exchange are open for trading during their respective regular trading sessions, notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time; or
- (b) where the relevant Index is specified in the applicable Final Terms to be 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 the Related Exchange closing prior to its Scheduled Closing Time.

“Exchange Disruption” means:

- (a) in relation to an Index which is specified in the applicable Final Terms as being a Unitary Index, any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (i) to effect transactions in, or obtain market values for, on any relevant Exchange(s) in securities 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 or options contracts relating to the relevant Index on any relevant Related Exchange; or
- (b) in relation to an Index which is specified in the applicable Final Terms as being a Multi-Exchange Index, any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general to effect transactions in, or obtain market values for: (i) any Component Security on the Exchange in respect of such Component Security; or (ii) futures or options contracts relating to the Index on the relevant Related Exchange.

“Index” and **“Indices”** mean, subject to adjustment in accordance with the Index Linked Conditions, the indices or index specified in the applicable Final Terms and related expressions shall be construed accordingly.

“**Index Closing Level**” means, in respect of an Index and any relevant date, subject to these Index Linked Conditions, an amount equal to the official closing level (which shall be deemed to be an amount in the Index Currency) of such Index as determined by the Calculation Agent on such date.

“**Index Level**” means, in respect of an Index and a time on any day, and subject to these Index Linked Conditions, the level of such Index at such time on such day as determined by the Calculation Agent.

“**Index Performance**” means the Index Performance specified in the applicable Final Terms.

“**Index Sponsor**” means, in relation to an Index, the corporation or other entity that (i) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to such Index and (ii) announces (directly or through an agent) the level of such Index on a regular basis during each Scheduled Trading Day, which as of the Issue Date is the index sponsor specified for such Index in the applicable Final Terms.

“**Multi-Exchange Index**” means any Index which is specified as such in the applicable Final Terms, or, if not specified, any Index the Calculation Agent determines as such.

“**Observation Cut-Off Date**” means the eighth Scheduled Trading Day (or, where the Index Linked Notes relate to a Basket of Indices and the applicable Final Terms provides that “Common Scheduled Trading Days” shall be applicable, the eighth Common Scheduled Trading Day) immediately following the Scheduled Observation Date or, if earlier, the Scheduled Trading Day (or, where the Index Linked Notes relate to a Basket of Indices and the applicable Final Terms provides that “Common Scheduled Trading Days” shall be applicable, a Common Scheduled Trading Day) falling on or immediately preceding the second Business Day immediately preceding the date on which payment of any amount or delivery of any assets may have to be made pursuant to any calculation or determination made on such Observation Date, provided that the Observation Cut-Off Date shall not fall prior to the original date on which such Observation Date was scheduled to fall.

“**Observation Date**” means each Observation Date specified in the applicable Final Terms, or if such date is not a Scheduled Trading Day the first Scheduled Trading Day thereafter, or, if earlier, the Observation Cut-Off Date (or, where the Index Linked Notes relate to a Basket of Indices and the applicable Final Terms provides that “Common Scheduled Trading Days” shall be applicable, each date specified as an Observation Date in the applicable Final Terms or, if any such date is not a Common Scheduled Trading Day, the immediately following Common Scheduled Trading Day). If any such day is a Disrupted Day, then:

- (a) where the Index Linked Notes relate to a single Index, that Observation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the Scheduled Trading Days immediately following the Scheduled Observation Date up to and including the Observation Cut-Off Date is a Disrupted Day. In that case, or if such Observation Date falls on the Observation Cut-Off Date owing to the original date on which it was scheduled to fall not being a Scheduled Trading Day for the Index, (i) the Observation Cut-Off Date shall be deemed to be that Observation Date (notwithstanding the fact that such day may be a Disrupted Day) and (ii) the Calculation Agent shall determine the relevant level or price in the manner set out in the applicable Final Terms or, if not set out or if not practicable, determine the relevant level or price by determining the level of the Index as of the Valuation Time on the Observation Cut-Off Date in accordance with (subject to Index Linked Condition 5 below) the formula for and method of calculating the Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on the Observation Cut-Off Date of each security comprised in the Index (or, if an event giving rise to a Disrupted Day (as defined in the Equity Linked Conditions in relation to a share) has occurred in respect of the relevant security on the Observation Cut-Off Date, its good faith estimate of the value for the relevant security as of the Valuation Time on the Observation Cut-Off Date);
- (b) where the Index Linked Notes relate to a Basket of Indices, that Observation Date for each Index not affected by the occurrence of a Disrupted Day shall be the Scheduled Observation Date (or, if earlier, the Observation Cut-Off Date) and that Observation Date for each Index affected (each an “**Affected Index**”) by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to the Affected Index, unless each

of the Scheduled Trading Days immediately following the Scheduled Observation Date up to and including the Observation Cut-Off Date is a Disrupted Day relating to the Affected Index. In that case, or if such Observation Date falls on the Observation Cut-Off Date for an Index owing to the original date on which it was scheduled to fall not being a Scheduled Trading Day for such Index, (i) the Observation Cut-Off Date shall be deemed to be that Observation Date for such Index (notwithstanding the fact that such day may be a Disrupted Day) and (ii) the Calculation Agent shall determine the relevant level or price using, in relation to such Index, the level of that Index determined in the manner set out in the applicable Final Terms or, if not set out or if not practicable, using the level of that Index as of the Valuation Time on the Observation Cut-Off Date in accordance with (subject to Index Linked Condition 5) the formula for and method of calculating that Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on the Observation Cut-Off Date of each security comprised in that Index (or, if an event giving rise to a Disrupted Day (as defined in the Equity Linked Conditions in relation to a share) has occurred in respect of the relevant security on the Observation Cut-Off Date, its good faith estimate of the value for the relevant security as of the Valuation Time on the Observation Cut-Off Date); or

- (c) where the Index Linked Notes relate to a Basket of Indices and the applicable Final Terms provides that “Common Scheduled Trading Days” shall be applicable, that Observation Date shall be the first succeeding Common Scheduled Trading Day that is not a Disrupted Day for any Index, unless each of the Common Scheduled Trading Days immediately following the Scheduled Observation Date up to and including the Observation Cut-Off Date is a Disrupted Day for one or more Indices. In that case, or if such Observation Date falls on the Observation Cut-Off Date owing to the original date on which it was scheduled to fall not being a Common Scheduled Trading Day, (i) the Observation Cut-Off Date shall be deemed to be that Observation Date (notwithstanding the fact that such day may be a Disrupted Day for an Index or not a Common Scheduled Trading Day) and (ii) the Calculation Agent shall determine the relevant level or price using, in relation to each Index for which the Observation Cut-Off Date is a Disrupted Day or is not a Common Scheduled Trading Day, the level of that Index determined in the manner set out in the applicable Final Terms or, if not set out or if not practicable, using the level of that Index as of the Valuation Time on the Observation Cut-Off Date in accordance with (subject to Index Linked Condition 5) the formula for and method of calculating that Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on the Observation Cut-Off Date of each security comprised in each Index for which the Observation Cut-Off Date is a Disrupted Day or is not a Common Scheduled Trading Day (or, if an event giving rise to a Disrupted Day (as defined in the Equity Linked Conditions in relation to a share) has occurred in respect of the relevant security on the Observation Cut-Off Date, its good faith estimate of the value for the relevant security as of the Valuation Time on the Observation Cut-Off Date).

“Observation Period” means, in respect of an Index:

- (a) if the consequence of “Extension” is specified in the applicable Final Terms to be applicable, each period commencing on the Observation Period Start Date, following adjustment of such date pursuant to these Index Linked Conditions, if applicable (and including or excluding such Observation Period Start Date, as specified in the applicable Final Terms) and ending on the immediately following Observation Period End Date, following adjustment of such date pursuant to these Index Linked Conditions, if applicable (and including or excluding such Observation Period End Date, as specified in the applicable Final Terms); or
- (b) if the consequence of “No Extension” is specified in the applicable Final Terms to be applicable, each period commencing on the Observation Period Start Date, prior to any adjustment of such date pursuant to these Index Linked Conditions, if applicable (and including or excluding such Observation Period Start Date, as specified in the applicable Final Terms) and ending on the immediately following Observation Period End Date, prior to any adjustment of such date pursuant to these Index Linked Conditions, if applicable (and including or excluding such Observation Period End Date, as specified in the applicable Final Terms).

“Observation Period End Date” means, in respect of an Index, each date specified as such in the applicable Final Terms.

“Observation Period Start Date” means, in respect of an Index, each date specified as such in the applicable Final Terms.

“Proprietary Index” means any Index which is specified as such in the applicable Final Terms, or, if not specified, any Index the Calculation Agent determines as such.

“Related Exchange” means, in relation to any Unitary Index or Multi-Exchange Index, 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 futures or options contracts relating to such Index has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such 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 Calculation Agent) on the overall market for futures or options contracts relating to the Index.

“Scheduled Closing Time” means, in respect of an Exchange or Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange or Related Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside of the regular trading session hours.

“Scheduled Trading Day” means in respect of:

- (a) any Unitary Index, any day on which each Exchange and each Related Exchange for the Index are scheduled to be open for trading for their respective regular trading sessions;
- (b) 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 for the Index is scheduled to be open for trading for its regular trading session; and
- (c) any Proprietary Index, any day on, or, as the case may be, in respect of, which the Index Sponsor is scheduled to publish the level of such Index.

“Scheduled Observation Date” means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been an Observation Date.

“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.

“Trade Date” means the date specified as a Trade Date in the applicable Final Terms. **“Trading Disruption”** means:

- (a) in respect of any Unitary Index, any suspension of, or limitation imposed on, trading by any relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise, (i) relating to securities that comprise 20 per cent. or more of the level of the Index on any relevant Exchange, or (ii) in futures or options contracts relating to the Index on any relevant Related Exchange; and
- (b) in respect of any Multi-Exchange Index, any suspension or limitation imposed on trading by any relevant Exchange or Related Exchange or otherwise, and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise, (i) relating to any Component Security on the Exchange in respect of such Component Security, or (ii) in futures or options contracts relating to the Index on the Related Exchange.

“Unitary Index” means any Index which is specified as such in the applicable Final Terms, or, if not specified, any Index the Calculation Agent determines as such.

“**Valuation Cut-Off Date**” means the eighth Scheduled Trading Day (or, where the Index Linked Notes relate to a Basket of Indices and the applicable Final Terms provides that “Common Scheduled Trading Days” shall be applicable, the eighth Common Scheduled Trading Day) immediately following the Scheduled Valuation Date or if earlier the Scheduled Trading Day (or, where the Index Linked Notes relate to a Basket of Indices and the applicable Final Terms provides that “Common Scheduled Trading Days” shall be applicable, the Common Scheduled Trading Day) falling on or immediately preceding the second Business Day immediately preceding the date on which payment of any amount or delivery of any assets may have to be made pursuant to any calculation or determination made on such Valuation Date, provided that the Valuation Cut- Off Date shall not fall prior to the original date on which such Valuation Date was scheduled to fall.

“**Valuation Date**” means each Valuation Date specified in the applicable Final Terms or if such date is not a Scheduled Trading Day the first Scheduled Trading Day thereafter, or, if earlier, the Valuation Cut-Off Date (or, where the Index Linked Notes relate to a Basket of Indices and the applicable Final Terms provides that “Common Scheduled Trading Days” shall be applicable, each date specified as a Valuation Date or the Actual Exercise Date in the applicable Final Terms or, if any such date is not a Common Scheduled Trading Day, the immediately following Common Scheduled Trading Day). If such day is a Disrupted Day, then:

- (a) where the Index Linked Notes relate to a single Index, the Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the Scheduled Trading Days immediately following the Scheduled Valuation Date up to and including the Valuation Cut-Off Date is a Disrupted Day. In that case, or if such Valuation Date falls on the Valuation Cut-Off Date owing to the original date on which it was scheduled to fall not being a Scheduled Trading Day for the Index, (i) the Valuation Cut-Off Date shall be deemed to be the Valuation Date (notwithstanding the fact that such day may be a Disrupted Day) and (ii) the Calculation Agent shall determine the relevant level or price in the manner set out in the applicable Final Terms or, if not set out or if not practicable, determine the relevant level or price by determining the level of the Index as of the Valuation Time on the Valuation Cut-Off Date in accordance with (subject to Index Linked Condition 5 below) the formula for and method of calculating the Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on the Valuation Cut-Off Date of each security comprised in the Index (or, if an event giving rise to a Disrupted Day (as defined in the Equity Linked Conditions in relation to a share) has occurred in respect of the relevant security on the Valuation Cut-Off Date, its good faith estimate of the value for the relevant security as of the Valuation Time on the Valuation Cut- Off Date);
- (b) where the Index Linked Notes relate to a Basket of Indices, the Valuation Date for each Index not affected by the occurrence of a Disrupted Day shall be the Scheduled Valuation Date (or, if earlier, the Valuation Cut-off Date) and the Valuation Date for each Index affected (each an “**Affected Index**”) by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to the Affected Index, unless each of the Scheduled Trading Days immediately following the Scheduled Valuation Date up to and including the Valuation Cut-Off Date is a Disrupted Day relating to the Affected Index. In that case, or if such Valuation Date falls on the Valuation Cut-Off Date owing to the original date on which it was scheduled to fall not being a Scheduled Trading Day for the Index, (i) the Valuation Cut-Off Date shall be deemed to be the Valuation Date for such Index (notwithstanding the fact that such day may be a Disrupted Day) and (ii) the Calculation Agent shall determine the relevant level or price using, in relation to such Index, the level of that Index determined in the manner set out in the applicable Final Terms or, if not set out or if not practicable, using the level of that Index as of the Valuation Time on the Valuation Cut- Off Date in accordance with (subject to Index Linked Condition 5) the formula for and method of calculating that Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on the Valuation Cut-Off Date of each security comprised in that Index (or, if an event giving rise to a Disrupted Day (as defined in the Equity Linked Conditions in relation to a share) has occurred in respect of the relevant security on the Valuation Cut-Off Date, its good faith estimate of the value for the relevant security as of the Valuation Time on the Valuation Cut-Off Date); or

- (c) where the Index Linked Notes relate to a Basket of Indices and the applicable Final Terms provides that “Common Scheduled Trading Days” shall be applicable, the Valuation Date shall be the first succeeding Common Scheduled Trading Day that is not a Disrupted Day for any Index, unless each of the Common Scheduled Trading Days immediately following the Scheduled Valuation Date up to and including the Valuation Cut-Off Date is a Disrupted Day for one or more Indices. In that case, or if the Valuation Date falls on the Valuation Cut-Off Date owing to the original date on which it was scheduled to fall not being a Common Scheduled Trading Day, (i) the Valuation Cut-Off Date shall be deemed to be the Valuation Date (notwithstanding the fact that such day may be a Disrupted Day for an Index or not a Common Scheduled Trading Day) and (ii) the Calculation Agent shall determine the relevant level or price using, in relation to each Index for which the Valuation Cut-Off Date is a Disrupted Day or is not a Common Scheduled Trading Day, the level of that Index determined in the manner set out in the applicable Final Terms or, if not set out or if not practicable, using the level of that Index as of the Valuation Time on the Valuation Cut-Off Date in accordance with (subject to Index Linked Condition 5) the formula for and method of calculating that Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on the Valuation Cut-Off Date of each security comprised in each Index for which the Valuation Cut-Off Date is a Disrupted Day or is not a Common Scheduled Trading Day (or, if an event giving rise to a Disrupted Day (as defined in the Equity Linked Conditions in relation to a share) has occurred in respect of the relevant security on the Valuation Cut-Off Date, its good faith estimate of the value for the relevant security as of the Valuation Time on the Valuation Cut-Off Date).

“Valuation Time” means:

- (a) in respect of any Unitary Index, (i) for the purposes of determining whether an Early Closure, an Exchange Disruption or a Trading Disruption has occurred in respect of (I) any Exchange, the Scheduled Closing Time of the Exchange (provided that, if the relevant Exchange closes prior to its Scheduled Closing Time, then the Valuation Time shall be such actual closing time), and (II) any options contracts or futures contracts on such Index, the close of trading on the Related Exchange, and (ii) in all other circumstances, the time at which the official closing level of the Index is calculated and published by the Index Sponsor;
- (b) in respect of any Multi-Exchange Index, (i) for the purposes of determining whether an Early Closure, an Exchange Disruption or a Trading Disruption has occurred in respect of (I) any Component Security, the Scheduled Closing Time on the Exchange in respect of such Component Security (provided that, if the relevant Exchange closes prior to its Scheduled Closing Time, then the Valuation Time shall be such actual closing time), and (II) any options contracts or futures contracts on the Index, the close of trading on the Related Exchange, and (ii) in all other circumstances, the time at which the official closing level of the Index is calculated and published by the Index Sponsor; and
- (c) in respect of any Proprietary Index, the time at which the Index Sponsor calculates and publishes the official closing level of the Index.

3. **Market Disruption**

“Market Disruption Event” means:

- (a) in respect of any Unitary Index, the occurrence or existence of (i) a Trading Disruption, (ii) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time or (iii) an Early Closure. For the purposes of determining whether a Market Disruption Event in respect of a Unitary Index exists at any time, if a Market Disruption Event occurs in respect of a Component Security included in the Index at any time, then the relevant percentage contribution of such Component Security to the level of the Index shall be based on a comparison of (x) the portion of the level of the Index attributable to such Component Security and (y) the overall level of the Index, in each case immediately before the occurrence of such Market Disruption Event;

- (b) in respect of any Multi-Exchange Index either: (i) (A) the occurrence or existence, in respect of any Component Security, of: I. a Trading Disruption, which the Calculation 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 Security is principally traded; II. an Exchange Disruption, which the Calculation 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 Security is principally traded; or III. an Early Closure; and (B) the aggregate of all Component Securities 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 (ii) the occurrence or existence, in respect of futures or options contracts relating to the Index, of (A) a Trading Disruption, (B) an Exchange Disruption which in either case the Calculation Agent determines is material, at any time during the one hour period that ends at the Valuation Time in respect of the Related Exchange or (C) an Early Closure. For the purposes of determining whether a Market Disruption Event in respect of a Multi-Exchange Index exists at any time, if a Market Disruption Event (as defined in the Equity Linked Conditions in relation to a share) occurs in respect of a Component Security at that time, then the relevant percentage contribution of such Component Security, 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 Security and (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” (as defined in the Equity Linked Conditions in relation to a share);
- (c) in respect of any Proprietary Index, the failure by the Index Sponsor to calculate and publish the level of the Index on any Scheduled Trading Day or in respect of such Scheduled Trading Day within the scheduled timeframe for publication.

4. **Barrier Event**

- (a) A “**Barrier Event (intraday)**” means (and a Barrier Event (intraday) shall be deemed to occur if), in respect of an Index, the Calculation Agent determines that the Index Level of such Index as of the Barrier Event Valuation Time (intraday) on any Barrier Event Determination Day is less than or equal to the corresponding Barrier Level for such Index and such Barrier Event Determination Day. For the purpose of determining whether a Barrier Event (intraday) has occurred on any day, the definition of Market Disruption Event specified in Index Linked Condition 3 shall be amended such that (i) all references to “during the one hour period that ends at the relevant Valuation Time” shall be deleted, and (ii) in the definition of “Early Closure” appearing in Index Linked Condition 2, each reference to “Valuation Time” and “Scheduled Closing Time” shall be construed as a reference to “Barrier Event Valuation Time (intraday)”.
- (b) A “**Barrier Event (closing)**” means (and a Barrier Event (closing) shall be deemed to occur if), in respect of an Index, the Calculation Agent determines that the Index Closing Level of such Index as of the Barrier Event Valuation Time (closing) on any Barrier Event Determination Day is less than or equal to the corresponding Barrier Level for such Index and such Barrier Event Determination Day.

5. **Adjustments and Corrections to an Index**

(a) ***Successor Index Sponsor Calculates and Reports an Index***

If a relevant Index is (i) not calculated and announced by the Index Sponsor but is calculated and announced by a successor sponsor (the “**Successor Index Sponsor**”) acceptable to the Calculation Agent, or (ii) replaced by a successor index using, in the determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of that Index, then in each case that index (the “**Successor Index**”) will be deemed to be the Index.

(b) ***Modification and Cessation of Calculation of an Index***

If (i) on or prior to a Valuation Date, an Observation Date or an Averaging Date (or other relevant date, as determined by the Calculation Agent), the relevant Index Sponsor makes or announces that it will make a material change in the formula for or the method of calculating a relevant Index or in any other

way materially modifies that Index (other than a modification prescribed in that formula or method to maintain that Index in the event of changes in constituent stock and capitalization or contracts and other routine events) (an “**Index Modification**”), or permanently cancels a relevant Index and no Successor Index exists (an “**Index Cancellation**”), or (ii) on a Valuation Date, an Observation Date or an Averaging Date (or other relevant date, as determined by the Calculation Agent), the Index Sponsor or, if applicable, the Successor Index Sponsor fails to calculate and announce a relevant Index, provided that, in respect of an Index which is specified in the applicable Final Terms as being a Multi-Exchange Index or a Proprietary Index, the Calculation Agent may, in its discretion, determine that such event instead results in the occurrence of a Disrupted Day (an “**Index Disruption**” and, together with an Index Modification and an Index Calculation, each an “**Index Adjustment Event**”), then the Issuer may take the action described in (A) or (B) below:

- (A) require the Calculation Agent to determine if such Index Adjustment Event has a material effect on the Index Linked Notes and, if so, calculate the relevant level or price using, in lieu of a published level for that Index, the level for that Index as at the Valuation Time on that Valuation Date, Observation Date or Averaging Date, as the case may be, as determined by the Calculation Agent in accordance with the formula for and method of calculating that Index last in effect prior to the change, failure or cancellation, but using only those securities that comprised that Index immediately prior to that Index Adjustment Event; or
- (B) on giving notice to the Noteholders in accordance with Note Condition 14, redeem all (but not some only) of the Notes, each Note being redeemed at the Early Redemption Amount.

Upon the occurrence of an Index Adjustment Event, the Issuer shall give notice as soon as reasonably practicable to the Noteholders in accordance with Note Condition 14, giving details of the action proposed to be taken in relation thereto, provided that any failure to give, or non-receipt of, such notice will not affect the validity of such action. The Issuer shall make available for inspection by Noteholders copies of any such determinations.

(c) ***Corrections to an Index***

If the level of a relevant Index published on any Valuation Date, Observation Date or Averaging Date (or other relevant date, as determined by the Calculation Agent), as the case may be, by the relevant Index Sponsor or (if applicable) the relevant Successor Index Sponsor and which is utilized for any calculation or determination made for the purposes of the Index Linked Notes (a “**Relevant Calculation**”) is subsequently corrected and the correction (the “**Corrected Index Level**”) is published by the relevant Index Sponsor or (if applicable) the relevant Successor Index Sponsor no later than two Business Days prior to the date on which payment of any amount or delivery of any assets may have to be made pursuant to such Relevant Calculation, then such Corrected Index Level shall be deemed to be the relevant level for such Index on such Averaging Date, Observation Date, Valuation Date (or other relevant date, as determined by the Calculation Agent), as the case may be, and the Calculation Agent shall use such Corrected Index Level in determining the relevant level or price and/or whether the Barrier Event (closing) or Barrier Event (intraday), as the case may be, has been triggered.

6. Additional Disruption Events

- (a) “**Additional Disruption Event**” means any of Change in Law, Hedging Disruption and/or Increased Cost of Hedging, in each case if specified in the applicable Final Terms.

“**Change in Law**” means that, on or after the Trade Date (as specified in the applicable Final Terms) (i) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law) or an Announced Prospective Change, or (ii) 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 Calculation Agent determines in its sole and absolute discretion that (A) it has become illegal to hold, acquire or dispose of any relevant security comprised in an Index or (B) the Issuer will incur (or, in the case of an Announced Prospective Change and assuming that such Announced Prospective Change becomes effective as of the date specified in such announcement and in the form announced, would incur) a materially increased cost in performing its obligations in relation to the Index Linked Notes (including,

without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on the tax position of the Issuer and/or any of its Affiliates).

“**Hedging Disruption**” means that the Issuer and/or any of its Affiliates or agents is unable, after using commercially reasonable efforts, to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity or other price risk (including, but not limited to, dividend risk and currency risk) of the Issuer issuing and performing its obligations with respect to the Index Linked Notes, or (ii) realize, recover or remit the proceeds of any such transaction(s) or asset(s).

“**Increased Cost of Hedging**” means that the Issuer and/or any of its Affiliates or agents acting on its behalf 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) or cost of capital or capital to be set aside to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity or other price risk (including, but not limited to, dividend risk and currency risk) of the Issuer issuing and performing its obligations with respect to the Index Linked Notes, or (ii) realize, recover or remit the proceeds of any such transaction(s) or asset(s), provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer and/or any of its Affiliates or agents shall not be deemed an Increased Cost of Hedging.

- (b) If Additional Disruption Events are specified as applicable in the applicable Final Terms, then if an Additional Disruption Event occurs, the Issuer in its sole and absolute discretion may take the action described in (i) or (ii) below:
 - (i) require the Calculation Agent to determine in its sole and absolute discretion the appropriate adjustment, if any, to be made to any one or more of the terms of these Terms and Conditions and/or the applicable Final Terms to account for the Additional Disruption Event and determine the effective date of that adjustment; or
 - (ii) give notice to Noteholders in accordance with Note Condition 14 and redeem all, but not some only, of the Notes, each nominal amount of Notes equal to the Calculation Amount being redeemed at the Early Redemption Amount.
- (c) Upon the occurrence of an Additional Disruption Event, the Issuer shall give notice as soon as practicable to the Noteholders stating the occurrence of the Additional Disruption Event, giving details thereof and the action proposed to be taken in relation thereto provided that any failure to give, or non-receipt of, such notice will not affect the validity of the Additional Disruption Event.

ANNEX 2

ADDITIONAL TERMS AND CONDITIONS FOR EQUITY LINKED NOTES

1. Interpretation

If specified as applicable in the applicable Final Terms, the terms and conditions applicable to Equity Linked Notes shall comprise the terms and conditions of the Notes (the “**Note Conditions**”) and the Additional Terms and Conditions for Equity Linked Notes 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 Note Conditions and the Equity Linked Conditions, the Equity Linked Conditions shall prevail. In the event of any inconsistency between the Note Conditions and the Equity Linked Conditions and (ii) the applicable Final Terms, the applicable Final Terms shall prevail.

2. Definitions

For the purposes of these Equity Linked Conditions:

“**Averaging Cut-Off Date**” means the eighth Scheduled Trading Day (or, where the Equity Linked Notes relate to a Basket of Equities and the applicable Final Terms provides that “Common Scheduled Trading Days” shall be applicable, the eighth Common Scheduled Trading Day) immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, or on account of such date not being a Scheduled Trading Day (or, where the Equity Linked Notes relate to a Basket of Equities and the applicable Final Terms provides that “Common Scheduled Trading Days” shall be applicable, a Common Scheduled Trading Day), would have been the final Averaging Date, or, if earlier, the Scheduled Trading Day (or, where the Equity Linked Notes relate to a Basket of Equities and the applicable Final Terms provides that “Common Scheduled Trading Days” shall be applicable, the Common Scheduled Trading Day) falling on or immediately preceding the second Business Day immediately preceding the date on which payment of any amount or delivery of any assets may have to be made pursuant to any calculation or determination made on the relevant Averaging Dates, provided that the Averaging Cut-Off Date shall not fall prior to the original date on which the final Averaging Date was scheduled to fall.

“**Averaging Date**” means each date specified as an Averaging Date in the applicable Final Terms or, if any such date is not a Scheduled Trading Day, the immediately following Scheduled Trading Day, or, if earlier, the Averaging Cut-Off Date (or, where the Equity Linked Notes relate to a Basket of Equities and the applicable Final Terms provides that “Common Scheduled Trading Days” shall be applicable, each date specified as an Averaging Date in the applicable Final Terms or, if any such date is not a Common Scheduled Trading Day, the immediately following Common Scheduled Trading Day). If any such day is a Disrupted Day:

- (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 price; provided that, if through the operation of this provision there would not be an Averaging Date, then the provisions of the definition of “Valuation Date” will apply for purposes of determining the relevant level or price on the final Averaging Date, as if such final Averaging Date were a Valuation Date that was a Disrupted Day; or
- (b) if “Postponement” is specified as applying in the applicable Final Terms, then the provisions of the definition of “Valuation Date” will apply for the purposes of determining the relevant price 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 Equity Linked Notes relate to a single Equity, the Averaging Date shall be the first succeeding Valid Date (as defined below). If the first succeeding Valid Date has not occurred as of the Valuation Time on the Averaging Cut-Off Date or if such Averaging

Date falls on the Averaging Cut-Off Date owing to the original date on which it was scheduled to fall not being a Scheduled Trading Day for the Equity, then (A) the Averaging Cut-Off Date shall be deemed to be the Averaging Date (irrespective of whether the Averaging Cut-Off Date is already an Averaging Date), and (B) the Calculation Agent shall determine the relevant price for that Averaging Date in accordance with sub-paragraph (a)(ii) of the definition of “Valuation Date” below;

- (ii) where the Equity Linked Notes relate to a Basket of Equities, the Averaging Date for each Equity not affected by the occurrence of a Disrupted Day shall be the originally designated Averaging Date (following adjustment of such date owing to the original date not being a Scheduled Trading Day, if applicable) (the “**Scheduled Averaging Date**”) and the Averaging Date for an Equity affected by the occurrence of a Disrupted Day shall be the first succeeding Valid Date (as defined below) in relation to such Equity. If the first succeeding Valid Date in relation to such Equity has not occurred as of the Valuation Time on the Averaging Cut-Off Date or if such Averaging Date falls on the Averaging Cut-Off Date owing to the original date on which it was scheduled to fall not being a Scheduled Trading Day for such Equity, then (A) the Averaging Cut-Off Date shall be deemed to be the Averaging Date (irrespective of whether the Averaging Cut-Off Date is already an Averaging Date) in relation to such Equity, and (B) the Calculation Agent shall determine the relevant price for that Averaging Date in accordance with subparagraph (b)(ii) of the definition of “Valuation Date” below; or
- (iii) where the Equity Linked Notes relate to a Basket of Equities and the applicable Final Terms provides that “Common Scheduled Trading Days” shall be applicable, the Averaging Date for each Equity shall be the first succeeding Common Valid Date (as defined below) in relation to such Equity. If the first succeeding Common Valid Date has not occurred as of the Valuation Time on the Averaging Cut-Off Date or if such Averaging Date falls on the Averaging Cut-Off Date owing to the original date on which it was scheduled to fall not being a Common Scheduled Trading Day, then (A) the Averaging Cut-Off Date shall be deemed to be the Averaging Date (irrespective of whether the Averaging Cut-Off Date is already an Averaging Date), and (B) the Calculation Agent shall determine the relevant level or price for that Averaging Date in accordance with sub-paragraph (c)(ii) of the definition of “Valuation Date” below, for the purposes of these Equity Linked Conditions “Valid Date” means a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date does not or is deemed not to occur, and “Common Valid Date” means a Common Scheduled Trading Day that is not a Disrupted Day for any Equity and on which another Averaging Date does not or is deemed not to occur.

“**Barrier Event Determination Day**” means, in respect of each Equity and each Observation Period:

- (a) if the applicable Final Terms provide that the Barrier Event (intraday) provisions shall apply, each day on which the price of such Equity is quoted on the relevant Exchange during such Observation Period, regardless of whether or not such day is a Scheduled Trading Day for such Equity (and, for the avoidance of doubt, if the Calculation Agent in its sole and absolute discretion determines that a Market Disruption Event is occurring at any time on any Barrier Event Determination Day, it shall disregard the period during which it determines in its sole and absolute discretion that such Market Disruption Event has occurred and is continuing for the purposes of determining whether or not a Barrier Event (intraday) has occurred); or
- (b) if the applicable Final Terms provide that the Barrier Event (closing) provisions shall apply, each Scheduled Trading Day for such Equity during such Observation Period that is not a Disrupted Day for such Equity.

“**Barrier Event Valuation Time (closing)**” means, in respect of each Equity to be valued, the Scheduled Closing Time on the relevant Exchange on the relevant Barrier Event Determination Day. If the relevant Exchange closes prior to its Scheduled Closing Time and the specified Barrier Event Valuation Time (closing) is after the actual closing time for its regular trading session, then the Barrier Event Valuation Time (closing) shall be such actual closing time.

“Barrier Event Valuation Time (intraday)” means any time during the regular trading session (without regard to any after hours or any other trading outside of the regular session) on the Exchange.

“Barrier Level” means, in respect of an Equity, such price for such Equity as is specified in the applicable Final Terms.

“Basket of Equities” means a basket composed of Equities in their relative proportions or number of Equities, as specified in the applicable Final Terms.

“Cash Settled Notes” means Notes that entitle the holder, upon due exercise and subject to certification of non-U.S. beneficial ownership, to receive from the Issuer, on the Settlement Date, the Cash Settlement Amount.

“Common Scheduled Trading Day” means, in respect of a Basket of Equities, each day which is a Scheduled Trading Day for all the Equities in the Basket of Equity.

“Disrupted Day” means any Scheduled Trading Day on which a relevant Exchange or any Related Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred.

“Early Closure” means the closure on any Exchange Business Day of the relevant Exchange or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or Related Exchange(s) at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange(s) or Related Exchange(s) on such Exchange Business Day, and (ii) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day.

“Equities” and **“Equity”** mean, subject to adjustment in accordance with these Equity Linked Conditions, the equities or an equity specified in the applicable Final Terms and related expressions shall be construed accordingly.

“Equity Closing Price” means, in respect of an Equity and any relevant date, subject to these Equity Linked Conditions, an amount equal to the official closing price of such Equity quoted on the relevant Exchange as determined by the Calculation Agent on such date.

“Equity Company” means, in respect of an Equity, the company that has issued such Equity.

“Equity Performance” means the Equity Performance specified in the applicable Final Terms.

“Equity Price” means, in respect of an Equity and a time on a Scheduled Trading Day and subject to these Equity Linked Conditions, the price of such Equity at such time on such day as determined by the Calculation Agent.

“Equity Substitution Criteria” means (and the Equity Substitution Criteria shall be deemed to be satisfied if), unless otherwise provided in the applicable Final Terms, in respect of an Equity and any other relevant equity:

- (a) the relevant issuer of such other relevant equity belongs to a similar economic sector as the Equity Company of such Equity; and
- (b) the relevant issuer of such other relevant equity has a comparable market capitalization and international standing as the Equity Company in respect of such Equity.

“Exchange” means, in relation to an Equity, each exchange or quotation system specified as such for such Equity 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 Equity has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to such Equity on such temporary substitute exchange or quotation system as on the original Exchange).

“Exchange Business Day” means any Scheduled Trading Day on which each Exchange and each Related Exchange are open for trading during their respective regular trading sessions, notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time.

“Exchange Disruption” means any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (i) to effect transactions in, or obtain market values for, the Equities on the Exchange or (ii) to effect transactions in, or obtain market values for, futures or options contracts relating to the Equity on any relevant Related Exchange.

“Observation Cut-Off Date” means the eighth Scheduled Trading Day (or, where the Equity Linked Notes relate to a Basket of Equities and the applicable Final Terms provides that “Common Scheduled Trading Days” shall be applicable, the eighth Common Scheduled Trading Day) immediately following the Scheduled Observation Date or, if earlier, the Scheduled Trading Day (or, where the Equity Linked Notes relate to a Basket of Equities and the applicable Final Terms provides that “Common Scheduled Trading Days” shall be applicable, the Common Scheduled Trading Day) falling on or immediately preceding the second Business Day immediately preceding the date on which payment of any amount or delivery of any assets may have to be made pursuant to any calculation or determination made on such Observation Date, provided that the Observation Cut-Off Date shall not fall prior to the original date on which such Observation Date was scheduled to fall.

“Observation Date” means each date specified as such in the applicable Final Terms, or if such date is not a Scheduled Trading Day the first Scheduled Trading Day thereafter (or, where the Equity Linked Notes relate to a Basket of Equities and the applicable Final Terms provides that “Common Scheduled Trading Days” shall be applicable, each date specified as an Observation Date in the applicable Final Terms or, if any such date is not a Common Scheduled Trading Day, the immediately following Common Scheduled Trading Day). If any such day is a Disrupted Day, then:

- (a) where the Equity Linked Notes relate to a single Equity, that Observation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the Scheduled Trading Days immediately following the Scheduled Observation Date up to and including the Observation Cut-Off Date is a Disrupted Day. In that case, or if such Observation Date falls on the Observation Cut-Off Date owing to the original date on which it was scheduled to fall not being a Scheduled Trading Day for such Equity, (i) the Observation Cut-Off Date shall be deemed to be that Observation Date (notwithstanding the fact that such day may be a Disrupted Day) and (ii) the Calculation Agent shall determine the relevant price in the manner set out in the applicable Final Terms or, if not set out or if not practicable, determine the relevant price in accordance with its good faith estimate of the relevant price as of the Valuation Time on the Observation Cut-Off Date;
- (b) where the Equity Linked Notes relate to a Basket of Equities, that Observation Date for each Equity not affected by the occurrence of a Disrupted Day shall be the Scheduled Observation Date (or, if earlier, the Observation Cut-Off Date) and that Observation Date for each Equity affected (each an **“Affected Equity”**) by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to the Affected Equity, unless each of the Scheduled Trading Days immediately following the Scheduled Observation Date up to and including the Observation Cut-Off Date is a Disrupted Day relating to the Affected Equity. In that case, or if such Observation Date falls on the Observation Cut-Off Date owing to the original date on which it was scheduled to fall not being a Scheduled Trading Day for such Equity, (i) the Observation Cut-Off Date shall be deemed to be that Observation Date for such Equity (notwithstanding the fact that such day may be a Disrupted Day) and (ii) the Calculation Agent shall determine the relevant price using, in relation to such Equity, a price determined in the manner set out in the applicable Final Terms or, if not set out or if not practicable, using its good faith estimate of the price for such Equity as of the Valuation Time on the Observation Cut-Off Date, and otherwise in accordance with the above provisions; or
- (c) where the Equity Linked Notes relate to a Basket of Equities and the applicable Final Terms provides that “Common Scheduled Trading Days” shall be applicable, that Observation Date shall be the first succeeding Common Scheduled Trading Day that is not a Disrupted Day for any Equity, unless each of the Common Scheduled Trading Days immediately following the

Scheduled Observation Date up to and including the Observation Cut-Off Date is a Disrupted Day for one or more Equities. In that case, or if such Observation Date falls on the Observation Cut-Off Date owing to the original date on which it was scheduled to fall not being a Common Scheduled Trading Day, (i) the Observation Cut-Off Date shall be deemed to be that Observation Date (notwithstanding the fact that such day may be a Disrupted Day for an Equity or not a Common Scheduled Trading Day) and (ii) the Calculation Agent shall determine the relevant price using, in relation to each Equity for which the Observation Cut- Off Date is a Disrupted Day or is not a Common Scheduled Trading Day, a price determined in the manner set out in the applicable Final Terms or, if not set out or if not practicable, using its good faith estimate of the price for such Equity as of the Valuation Time on the Observation Cut-Off Date, and otherwise in accordance with the above provisions.

“Observation Period” means, in respect of an Equity:

- (a) if the consequence of “Extension” is specified in the applicable Final Terms to be applicable, each period commencing on, the Observation Period Start Date, following adjustment of such date pursuant to these Equity Linked Conditions, if applicable (and including or excluding such Observation Period Start Date, as specified in the applicable Final Terms) and ending on the immediately following Observation Period End Date, following adjustment of such date pursuant to these Equity Linked Conditions, if applicable (and including or excluding such Observation Period End Date, as specified in the applicable Final Terms); or
- (b) if the consequence of “No Extension” is specified in the applicable Final Terms to be applicable, each period commencing on the Observation Period Start Date, prior to any adjustment of such date pursuant to these Equity Linked Conditions, if applicable (and including or excluding such Observation Period Start Date, as specified in the applicable Final Terms) and ending on the immediately following Observation Period End Date, prior to any adjustment of such date pursuant to these Equity Linked Conditions, if applicable (and including or excluding such Observation Period Start Date, as specified in the applicable Final Terms).

“Observation Period End Date” means, in respect of an Equity, each date specified as such in the applicable Final Terms.

“Observation Period Start Date” means, in respect of an Equity, each date specified as such in the applicable Final Terms.

“Physical Delivery Notes” means Notes redeemed by physical delivery.

“Related Exchange” means, in relation to an Equity, each exchange or quotation system specified as such for such Equity in the applicable Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to such Equity has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such Equity 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 Calculation Agent) on the overall market for futures or options contracts relating to such Equity.

“Scheduled Closing Time” means, in respect of an Exchange or Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange or Related Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside of the regular trading session hours.

“Scheduled Observation Date” means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been an Observation Date.

“Scheduled Trading Day” means any day on which each Exchange and each Related Exchange are scheduled to be open for trading for their respective regular trading sessions.

“**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.

“**Trade Date**” means the date specified as a Trade Date in the applicable Final Terms.

“**Trading Disruption**” means any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise (i) relating to the Equity on the Exchange or (ii) in futures or options contracts relating to the Equity on any relevant Related Exchange.

“**Valuation Cut-Off Date**” means the eighth Scheduled Trading Day (or, where the Equity Linked Notes relate to a Basket of Equities and the applicable Final Terms provides that “Common Scheduled Trading Days” shall be applicable, the eighth Common Scheduled Trading Day) immediately following the Scheduled Valuation Date or if earlier the Scheduled Trading Day (or, where the Equity Linked Notes relate to a Basket of Equities and the applicable Final Terms provides that “Common Scheduled Trading Days” shall be applicable, the Common Scheduled Trading Day) falling on or immediately preceding the second Business Day immediately preceding the date on which payment of any amount or delivery of any assets may have to be made pursuant to any calculation or determination made on such Valuation Date, provided that the Valuation Cut- Off Date shall not fall prior to the original date on which such Valuation Date was scheduled to fall.

“**Valuation Date**” means each Valuation Date specified in the applicable Final Terms if that is not a Scheduled Trading Day the first Scheduled Trading Day thereafter or, if earlier, the Valuation Cut-Off Date (or, where the Equity Linked Notes relate to a Basket of Equities and the applicable Final Terms provides that “Common Scheduled Trading Days” shall be applicable, each date specified as a Valuation Date or the Actual Exercise Date in the applicable Final Terms or, if any such date is not a Common Scheduled Trading Day, the immediately following Common Scheduled Trading Day). If such day is a Disrupted Day, then:

- (a) where the Equity Linked Notes relate to a single Equity, the Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the Scheduled Trading Days up to and including the Valuation Cut-Off Date is a Disrupted Day. In that case, or if such Valuation Date falls on the Valuation Cut-Off Date owing to the original date on which it was scheduled to fall not being a Scheduled Trading Day for such Equity, (i) the Valuation Cut-Off Date shall be deemed to be the Valuation Date (notwithstanding the fact that such day may be a Disrupted Day) and (ii) the Calculation Agent shall determine the relevant price in the manner set out in the applicable Final Terms or, if not set out or if not practicable, determine the relevant price in accordance with its good faith estimate of the relevant price as of the Valuation Time on the Valuation Cut-Off Date;
- (b) where the Equity Linked Notes relate to a Basket of Equities, the Valuation Date for each Equity not affected by the occurrence of a Disrupted Day shall be the Scheduled Valuation Date (or, if earlier, the Valuation Cut-Off Date) and the Valuation Date for each Equity affected (each an “**Affected Equity**”) by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to the Affected Equity, unless each of the Scheduled Trading Days immediately following the Scheduled Valuation Date up to and including the Valuation Cut-Off Date is a Disrupted Day relating to the Affected Equity. In that case, or if such Valuation Date falls on the Valuation Cut-Off Date owing to the original date on which it was scheduled to fall not being a Scheduled Trading Day for such Equity, (i) the Valuation Cut-Off Date shall be deemed to be the Valuation Date for such Equity (notwithstanding the fact that such day may be a Disrupted Day) and (ii) the Calculation Agent shall determine the relevant price using, in relation to such Equity, a price determined in the manner set out in the applicable Final Terms or, if not set out or if not practicable, using its good faith estimate of the price for such Equity as of the Valuation Time on the Valuation Cut-Off Date, and otherwise in accordance with the above provisions; or
- (c) where the Equity Linked Notes relate to a Basket of Equities and the applicable Final Terms provides that “Common Scheduled Trading Days” shall be applicable, the Valuation Date shall be the first succeeding Common Scheduled Trading Day that is not a Disrupted Day for any

Equity, unless each of the Common Scheduled Trading Days immediately following the Scheduled Valuation Date up to and including the Valuation Cut-Off Date is a Disrupted Day for one or more Equities. In that case, or if the Valuation Date falls on the Valuation Cut-Off Date owing to the original date on which it was scheduled to fall not being a Common Scheduled Trading Day, (i) the Valuation Cut-Off Date shall be deemed to be the Valuation Date (notwithstanding the fact that such day may be a Disrupted Day for an Equity or not a Common Scheduled Trading Day) and (ii) the Calculation Agent shall determine the relevant price using, in relation to each Equity for which the Valuation Cut-Off Date is a Disrupted Day or is not a Common Scheduled Trading Day, a price determined in the manner set out in the applicable Final Terms or, if not set out or if not practicable, using its good faith estimate of the price for such Equity as of the Valuation Time on the Valuation Cut-Off Date, and otherwise in accordance with the above provisions.

“**Valuation Time**” means the Valuation Time specified in the applicable Final Terms or, if no Valuation Time is specified, the Scheduled Closing Time on the relevant Exchange on the relevant Valuation Date, Observation Date or Averaging Date, as the case may be, in relation to each Equity 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.

3. **Barrier Event**

- (a) A “**Barrier Event (intraday)**” means (and a Barrier Event (intraday) shall be deemed to occur if), in respect of an Equity, the Calculation Agent determines that the Equity Price of such Equity as of the Barrier Event Valuation Time (intraday) on any Barrier Event Determination Day is less than or equal to the corresponding Barrier Level for such Equity and such Barrier Event Determination Day.

For the purpose of determining whether a Barrier Event (intraday) has occurred on any day, the definition of Market Disruption Event specified in Equity Linked Condition 4 shall be amended such that (i) all references to “during the one hour period that ends at the relevant Valuation Time” shall be deleted, and (ii) in the definition of “Early Closure” appearing in Equity Linked Condition 2, each reference to “Valuation Time” and “Scheduled Closing Time” shall be construed as a reference to “Barrier Event Valuation Time (intraday)”.

- (b) A “**Barrier Event (closing)**” means (and a Barrier Event (closing) shall be deemed to occur if), in respect of an Equity, the Calculation Agent determines that the Equity Closing Price of any Equity as of the Barrier Event Valuation Time (closing) on any Barrier Event Determination Day is less than or equal to the corresponding Barrier Level for such Equity and such Barrier Event Determination Day.

4. **Market Disruption**

“**Market Disruption Event**” means, in relation to an Equity, the occurrence or existence of (i) a Trading Disruption, (ii) an Exchange Disruption, which in either case the Calculation Agent determines is material, any time during the one hour period that ends at the Valuation Time for such Equity or (iii) an Early Closure.

5. **Correction to Equity Prices**

If the price of an Equity published on any Valuation Date, Observation Date, or an Averaging Date (or other relevant date, as determined by the Calculation Agent) as the case may be, by the relevant Exchange and which is utilized for any calculation or determination made for the purposes of the Notes (a “**Relevant Calculation**”) is subsequently corrected and the correction (the “**Corrected Equity Price**”) published by the relevant Exchange no later than two Business Days prior to the date on which payment of any amount or delivery of any assets may have to be made pursuant to such Relevant Calculation, then such Corrected Equity Price shall be deemed to be the relevant price for such Equity on such Averaging Date, Observation Date or Valuation Date (or other relevant date, as determined by the Calculation Agent), as the case may be, and the Calculation Agent shall use such Corrected Equity

Price in determining the relevant price and/or whether the Barrier Event (closing) or Barrier Event (intraday), as the case may be, has been triggered.

6. Potential Adjustment Events, Merger Event, Tender Offer, De-listing, Nationalization and Insolvency

- (a) **“Potential Adjustment Event”** means any of the following:
- (i) a subdivision, consolidation or reclassification of relevant Equities (unless resulting in a Merger Event or, if Tender Offer is specified as applying in the applicable Final Terms, a Tender Offer) or a free distribution or dividend of any such Equities to existing holders by way of bonus, capitalization or similar issue;
 - (ii) a distribution, issue or dividend to existing holders of the relevant Equities of (A) such Equities or (B) other equity capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Equity Company equally or proportionately with such payments to holders of such Equities or (C) equity capital or other securities of another issuer acquired or owned (directly or indirectly) by the Equity Company as a result of a spin-off or other similar transaction or (D) any other type of securities, rights or warrants or other assets, in any case for payment (in cash or otherwise) at less than the prevailing market price as determined by the Calculation Agent;
 - (iii) an extraordinary dividend as determined by the Calculation Agent;
 - (iv) a call by an Equity Company in respect of relevant Equities that are not fully paid;
 - (v) a repurchase by the Equity Company or any of its subsidiaries, as the case may be, of relevant Equities whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
 - (vi) in respect of an Equity Company an event that results in any shareholder rights being distributed or becoming separated from shares of common stock or other shares of the capital stock of such Equity 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 Calculation Agent, provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights; or
 - (vii) any other event having, in the opinion of the Calculation Agent, a diluting or concentrative effect on the theoretical value of the relevant Equities.

Following the declaration by the Equity Company of the terms of any Potential Adjustment Event, the Calculation Agent will, in its sole and absolute discretion, determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the Equities and, if so, will make the corresponding adjustment, if any, to any one or more of the terms of the Terms and Conditions and/or the applicable Final Terms as the Calculation Agent in its sole and absolute discretion determines appropriate to account for that diluting or concentrative effect (provided that no adjustments will be made to account solely for changes in volatility, expected dividends stock loan rate or liquidity relative to the relevant Equity) and determine the effective date of that adjustment. The Calculation Agent may, but need not, determine the appropriate adjustment by reference to the adjustment in respect of such Potential Adjustment Event made by an options exchange to options on the Equities traded on that options exchange.

If **“Local Tax Adjustment”** is specified in the applicable Final Terms as being applicable, then, in its determinations of the existence and extent of any dilutive or concentrative effect on the theoretical value of the Equities of any Potential Adjustment Event, and any related adjustments to the terms of the Notes, the Calculation Agent shall take into account any amounts of Local Taxes that would, in the determination of the

Calculation Agent, be withheld from or paid or otherwise incurred by an Offshore Investor in connection with such Potential Adjustment Event.

“**Local Taxes**” shall mean taxes, duties, and similar charges imposed by the taxing authority of the Local Jurisdiction (specified in the applicable Final Terms).

“**Offshore Investor**” shall mean a holder of Equities who is an institutional investor not resident in the Local Jurisdiction for the purposes of the tax laws and regulations of the Local Jurisdiction and, for the avoidance of doubt, whose jurisdiction of residence (a) shall be determined by the Calculation Agent and (b) may be the jurisdiction of residence of the Issuer or any of its Affiliates or agents.

Upon the making of any such adjustment, the Calculation Agent shall give notice as soon as practicable to the Holders in accordance with Note Condition 14, stating the adjustment to the terms of the Terms and Conditions and/or the applicable Final Terms and giving brief details of the Potential Adjustment Event provided that any failure to give, or non-receipt of, such notice will not affect the validity of any such adjustment.

- (b) “**De-listing**” means, in respect of any relevant Equities:
- (i) in the case where the Exchange is not located in the United States, such Exchange announces that pursuant to the rules of such Exchange, such Equities cease (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason (other than a Merger Event or, if Tender Offer is specified as applying in the applicable Final Terms, a Tender Offer) and are not immediately re-listed, re-traded or re-quoted on an exchange or quotation system located in the same country as the Exchange (or, where the Exchange is within the European Union, in a member state of the European Union); or
 - (ii) in the case where the Exchange is located in the United States, such Exchange announces that pursuant to the rules of such Exchange, such Equities cease (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason (other than a Merger Event or, if Tender Offer is specified as applying in the applicable Final Terms, a Tender Offer) and are not immediately re-listed, re-traded or re-quoted on any of the New York Stock Exchange, the American Stock Exchange, the NASDAQ Global Select Market or the NASDAQ Global Market (or their respective successors).

If the Equities are immediately re-listed, re-traded or re-quoted on any exchange or quotation system, such exchange or quotation system shall be deemed to be the Exchange in respect of such Equities.

“**Insolvency**” means that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting the Equity Company (A) all the Equities of that Equity Company are required to be transferred to a trustee, liquidator or other similar official or (B) holders of the Equities of that Equity Company become legally prohibited from transferring them.

“**Merger Date**” means the closing date of a Merger Event or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Calculation Agent.

“**Merger Event**” means, in respect of any relevant Equities, any (A) reclassification or change of such Equities that results in a transfer of or an irrevocable commitment to transfer all of such Equities outstanding to another entity or person, (B) consolidation, amalgamation, merger or binding share exchange of an Equity Company with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which such Equity Company is the continuing entity and which does not result in a reclassification or change of all of such Equities outstanding), (C) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100 per cent. of the outstanding Equities of the Equity Company that results in a transfer of or an irrevocable commitment to transfer all such Equities (other than such Equities owned or controlled by such

other entity or person), or (D) consolidation, amalgamation, merger or binding share exchange of the Equity Company or its subsidiaries with or into another entity in which the Equity Company is the continuing entity and which does not result in a reclassification or change of all such Equities outstanding but results in the outstanding Equities (other than Equities owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 per cent. of the outstanding Equities immediately following such event, in each case if the Merger Date is on or before (I) in the case of Cash Settled Notes, the last occurring Valuation Date or Observation Date, as the case may be, or where Averaging is specified in the applicable Final Terms, the final Averaging Date in respect of the relevant Note or (II) in the case of Physical Delivery Notes, the Maturity Date.

“**Nationalization**” means that all the Equities or all or substantially all the assets of the Equity Company are nationalized, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof.

“**Tender Offer**” means a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than 10 per cent. and less than 100 per cent. of the outstanding voting shares of the Equity Company as determined by the Calculation Agent, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Calculation Agent deems relevant.

“**Tender Offer Date**” means, in respect of a Tender Offer, the date on which voting shares in the amount of the applicable percentage threshold are actually purchased or otherwise obtained (as determined by the Calculation Agent).

- (c) If (x) a Merger Event, De-listing, Nationalization or Insolvency occurs in relation to an Equity and/or (y) if Tender Offer is specified as applicable in the applicable Final Terms, a Tender Offer occurs, the Issuer in its sole and absolute discretion may take the action described in (i), (ii), (iii) or (iv) below:
- (i) require the Calculation Agent to determine in its sole and absolute discretion the appropriate adjustment, if any, to be made to any terms of the Terms and Conditions and/or the applicable Final Terms to account for the De-listing, Merger Event, Tender Offer, Nationalization or Insolvency, as the case may be, and determine the effective date of that adjustment. The Calculation Agent may (but need not) determine the appropriate adjustment by reference to the adjustment in respect of the Merger Event, Tender Offer, De-listing, Nationalization or Insolvency made by any options exchange to options on the Equities traded on that options exchange and the relevant adjustments may in the case of adjustments following a Merger Event or Tender Offer include, without limitation, adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Equities; or
 - (ii) give notice to the Noteholders in accordance with Note Condition 14 and redeem all, but not some only, of the Notes, each nominal amount of Notes equal to the Calculation Amount being redeemed at the Early Redemption Amount; or
 - (iii) following such adjustment to the settlement terms of options on the Equities traded on such exchange(s) or quotation system(s) as the Issuer in its sole discretion shall select (the “**Options Exchange**”), require the Calculation Agent to make a corresponding adjustment to any one or more of the terms of the Terms and Conditions and/or the applicable Final Terms which adjustment will be effective as of the date determined by the Calculation Agent to be the effective date of the corresponding adjustment made by the Options Exchange. If options on the Equities are not traded on the Options Exchange, the Calculation Agent will make such adjustment, if any, to any one or more of the terms of the Terms and Conditions and/or the applicable Final Terms as the Calculation Agent in its sole and absolute discretion determines appropriate, with reference to the rules and precedents (if any) set by the Options Exchange to account for the Merger Event, Tender Offer, De-

listing, Nationalization or Insolvency, as the case may be, that in the determination of the Calculation Agent would have given rise to an adjustment by the Options Exchange if such options were so traded; or

(iv) unless the applicable Final Terms provide that “Equity Substitution” shall not be applicable, then on or after the relevant Merger Date, Tender Offer Date, or the date of the Nationalization, Insolvency or De-listing (as the case may be):

(I) Where the Equity Linked Notes relate to a single Equity, the Calculation Agent may substitute the share (the “**Substitute Equity**”) selected by it in accordance with the Equity Substitution Criteria in place of such Equity (the “**Affected Equity**”) which is affected by such Merger Event, Tender Offer, Nationalization, Insolvency or De-listing and the Substitute Equity will be deemed to be “Equity” and the relevant issuer of such shares, a “Equity Company” for the purposes of the Notes, and the Calculation Agent will make such adjustment, if any, to any of the terms of the Terms and Conditions and/or the applicable Final Terms as the Calculation Agent in its sole and absolute discretion determines appropriate, provided that in the event that any amount payable under the Notes was to be determined by reference to the price of the Affected Equity on the Trade Date (or any such other historical date specified in the applicable Final Terms), the relevant price of each Substitute Equity will be determined by the Calculation Agent in accordance with the following formula:

$$A \times (B/C)$$

Where:

“A” is the official closing price of the relevant Substitute Equity on the relevant exchange, as determined by the Calculation Agent, on the date that the substitution is effected;

“B” is the price of the Affected Equity on the Trade Date (or any such other historical date specified in the applicable Final Terms) where such price is defined in the applicable Final Terms for the purposes of calculating any value or determining any amount payable in respect of the Notes; and

“C” is the official closing price of the relevant Affected Equity on the relevant Exchange on the date that the substitution is effected.

(II) Where the Equity Linked Notes relate to a Basket of Equities, the Calculation Agent may adjust the basket of Equities to include a share or shares (the “**Substitute Equities**”) selected by it in accordance with the Equity Substitution Criteria in place of the Equity(s) (the “**Affected Equity(s)**”) which are affected by such Merger Event, Tender Offer, Nationalization, Insolvency or De-listing and the Substitute Equities will be deemed to be “Equities” and the relevant issuer of each such share, a “Equity Company” for the purposes of the Notes, and the Calculation Agent will make such adjustment, if any, to any of the terms of the Terms and Conditions and/or the applicable Final Terms as the Calculation Agent in its sole and absolute discretion determines appropriate, provided that in the event that any amount payable under the Notes was to be determined by reference to the price of the Affected Equity on the Trade Date (or any such other historical date specified in the applicable Final Terms), the relevant price of each Substitute Equity will be determined by the Calculation Agent in accordance with the following formula:

$$A \times (B/C)$$

Where:

“A” is the official closing price of the relevant Substitute Equity on the relevant exchange, as determined by the Calculation Agent on the date that the substitution is effected;

“B” is the price of the Affected Equity on the Trade Date (or any such other historical date specified in the applicable Final Terms) where such price is defined in the applicable Final Terms for the purposes of calculating any value or determining any amount payable in respect of the Notes; and

“C” is the official closing price of the relevant Affected Equity on the relevant Exchange on the date that the substitution is effected.

The weighting of each Substitute Equity in the basket will be equal to the weighting of the relevant Affected Equity.

Upon the occurrence of a Merger Event, De-listing, Nationalization, Insolvency or, if applicable, Tender Offer, the Issuer shall give notice as soon as practicable to the Noteholders in accordance with Note Condition 14 stating the occurrence of the Merger Event, Tender Offer, Nationalization or Insolvency, as the case may be, giving details thereof and the action proposed to be taken in relation thereto provided that any failure to give, or non-receipt of, such notice will not affect the validity of any such Merger Event, Tender Offer, De-listing, Nationalization or Insolvency, as the case may be.

7. Non-euro Quoted Equities

In respect of Equity Linked Notes relating to Equities originally quoted, listed and/or dealt as of the Trade Date in a currency of a member state of the European Union that has not adopted the single currency in accordance with the Treaty (“euro”), if such Equities are at any time after the Trade Date quoted, listed and/or dealt exclusively in euro on the relevant Exchange or, where no Exchange is specified in the applicable Final Terms, the principal market on which those Equities are traded, then the Calculation Agent will adjust any of the terms of the Terms and Conditions and/or the applicable Final Terms as the Calculation Agent determines in its sole and absolute discretion to be appropriate to preserve the economic terms of the Notes. The Calculation Agent will make any conversion necessary for purposes of any such adjustment as of the Valuation Time at an appropriate mid market spot rate of exchange determined by the Calculation Agent prevailing as of the Valuation Time. No adjustments under this provision will affect the currency denomination of any payment obligation arising out of the Notes.

8. Additional Disruption Events

- (a) “**Additional Disruption Event**” means any of Change in Law, Hedging Disruption, Increased Cost of Hedging, Increased Cost of Stock Borrow, Loss of Stock Borrow and/or Insolvency Filing, in each case if specified in the applicable Final Terms.

“**Change in Law**” means that, on or after the Trade Date (as specified in the applicable Final Terms) (i) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law) or an Announced Prospective Change, or (ii) 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 Calculation Agent determines in its sole and absolute discretion that (A) it has become illegal to hold, acquire or dispose of any relevant Equity or (B) it will incur (or, in the case of an Announced Prospective Change and assuming that such Announced Prospective Change becomes effective as of the date specified in such announcement and in the form announced, would incur) a materially increased cost in performing its obligations in relation to the Equity Linked Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on the tax position of the Issuer and/or any of its Affiliates).

“**Hedging Disruption**” means that the Issuer and/or any of its Affiliates or agents is unable, after using commercially reasonable efforts, to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity or other price risk

(including, but not limited to, dividend risk and currency risk) of the Issuer issuing and performing its obligations with respect to the Equity Linked Notes, or (ii) realize, recover or remit the proceeds of any such transaction(s) or asset(s).

“Hedging Equities” means the number of Equities that the Calculation Agent deems necessary to hedge the equity or other price risk of entering into and performing its obligations with respect to the Equity Linked Notes.

“Increased Cost of Hedging” means that the Issuer and/or any of its Affiliates or agents 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) or cost of capital or capital to be set aside to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity or other price risk (including, but not limited to, dividend risk and currency risk) of the Issuer issuing and performing its obligations with respect to the Equity Linked Notes, or (ii) realize, recover or remit the proceeds of any such transaction(s) or asset(s), provided that any such materially increased amount that is incurred solely due to the

deterioration of the creditworthiness of the Issuer and/or any of its Affiliates or agents shall not be deemed an Increased Cost of Hedging.

“Increased Cost of Stock Borrow” means that the Issuer and/or any of its Affiliates would incur a rate to borrow Equities that is greater than the Initial Stock Loan Rate.

“Initial Stock Loan Rate” means, in respect of an Equity, the Initial Stock Loan Rate specified in relation to such Equity in the applicable Final Terms.

“Insolvency Filing” means that an Equity 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 organization or the jurisdiction of its head or home office, or it consents to a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors’ rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official or it consents to such a petition, provided that proceedings instituted or petitions presented by creditors and not consented to by the Equity 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 Equity in an amount equal to the Hedging Equities at a rate equal to or less than the Maximum Stock Loan Rate.

“Maximum Stock Loan Rate” means in respect of an Equity, the Maximum Stock Loan Rate specified in the applicable Final Terms.

(b) If an Additional Disruption Event occurs, the Issuer in its sole and absolute discretion may take the action described in (i) or (ii) below:

(i) require the Calculation Agent to determine in its sole and absolute discretion the appropriate adjustment, if any, to be made to any of the other terms of the Terms and Conditions and/or the applicable Final Terms to account for the Additional Disruption Event and determine the effective date of that adjustment; or

(ii) give notice to Noteholders in accordance with Note Condition 14 and redeem all, but not some only, of the Notes, each nominal amount of Notes equal to the Calculation Amount being redeemed at the Early Redemption Amount.

(c) Upon the occurrence of an Additional Disruption Event, the Issuer shall give notice as soon as practicable to the Noteholders in accordance with Note Condition 14 stating the occurrence of the Additional Disruption Event giving details thereof and the action proposed to be taken in relation thereto provided that any failure to give, or non-receipt of, such notice will not affect the validity of the Additional Disruption Event.

- (d) If the applicable Final Terms provide that “Equity Substitution” is applicable upon the occurrence of an Additional Disruption Event, the provisions of Equity Linked Condition 6(c)(iv)(I) or 6(c)(iv)(II) (as is applicable) shall apply in respect of an Additional Disruption Event where any reference to “Merger Event, Tender Offer, Nationalization, Insolvency or De-listing” in Equity Linked Conditions 6(c)(iv)(I) and 6(c)(iv)(II) shall be replaced by “Additional Disruption Event”, and any other relevant references shall be construed accordingly.

ANNEX 3

ADDITIONAL TERMS AND CONDITIONS FOR COMMODITY LINKED NOTES

1. Interpretation

If specified as applicable in the applicable Final Terms, the terms and conditions applicable to Commodity Linked Notes shall comprise the terms and conditions of the Notes (the “**Note Conditions**”) and the Additional Terms and Conditions for Commodity Linked Notes 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 Note Conditions and the Commodity Linked Conditions, the Commodity Linked Conditions shall prevail. In the event of any inconsistency between (i) the Note Conditions and/or the Commodity Linked Conditions and (ii) the applicable Final Terms, the applicable Final Terms shall prevail.

2. Definitions

“**Basket of Commodities**” means a basket comprising Commodities in their relative proportions or numbers of Commodities, as specified in the applicable Final Terms.

“**Calculation Agent Determination**” means that the Calculation Agent will determine the Relevant Price (or method for determining the Relevant Price), taking into consideration the latest available quotation for the relevant Commodity Reference Price and any other information that in good faith it deems relevant.

“**Commodity**” and “**Commodities**” means, subject to adjustment in accordance with these Commodity Linked Conditions, in the case of an issue of Commodity Linked Notes relating to a Basket of Commodities, each commodity and, in the case of an issue of Commodity Linked Notes relating to a single Commodity, the Commodity, in each case specified in the applicable Final Terms and related expressions shall be construed accordingly.

“**Commodity Business Day**” has the meaning given it in the applicable Final Terms.

“**Commodity Cut-Off Date**” means, in respect of a Pricing Date (or, if different, the day on which the price for that Pricing Date would, in the ordinary course, be published by the Price Source) the date specified in the applicable Final Terms, or if not so specified, the day falling two Business Days immediately preceding the Payment Day or Settlement Date, as applicable of the amount calculated in respect of such Pricing Date (or other date as aforesaid), provided that the Commodity Cut-Off Date shall not fall earlier than the original date on which such Pricing Date is scheduled to fall (unless otherwise provided in the applicable Final Terms).

“**Commodity Index**” means, subject to adjustment in accordance with the Commodity Linked Conditions, an index comprising various commodities or commodity prices, as specified in the applicable Final Terms.

“**Commodity Index Cut-Off Date**” means, in respect of a Pricing Date (or, if different, the day on which the price for that Pricing Date would, in the ordinary course, be published by the Price Source) the date specified in the applicable Final Terms, or if not so specified, the day falling two Business Days immediately preceding the Payment Day or Settlement Date, as applicable of the amount calculated in respect of such Pricing Date (or other date as aforesaid), provided that the Commodity Index Cut-Off Date shall not fall earlier than the original date on which such Pricing Date is scheduled to fall (unless otherwise provided in the applicable Final Terms).

“**Commodity Reference Price**” means (i) in respect of all Commodities, the Commodity Reference Price specified in the applicable Final Terms and (ii) in respect of a Commodity Index, the Commodity Reference Price specified in the applicable Final Terms, or if not so specified, the official closing price of such Commodity Index.

“Commodity Trading Disruption” means the material suspension of, or the material limitation imposed on, trading in the Futures Contract or the Commodity on the Exchange or in any additional futures contract, options contract or commodity on any Exchange.

“Delayed Publication or Announcement” means that the Relevant 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 Market Disruption Event ceases to exist, unless that Market Disruption Event continues to exist (measured from and including the original day that would otherwise have been the Pricing Date (or, if applicable, if the Pricing Date as specified in the Final Terms is adjusted on account of such original date not being a Commodity Business Day, measured from and including the day that is the original date that would otherwise have been the Pricing Date, following the adjustment specified in the applicable Final Terms on account of such original date not being a Commodity Business Day)) or the Relevant Price continues to be unavailable for two (2) consecutive Commodity Business Days. In that case, the next Disruption Fallback (as defined below) specified in the applicable Final Terms will apply.

“Delivery Date” means the date specified in the applicable Final Terms.

“Disappearance of Commodity Reference Price” means:

- (i) the permanent discontinuation of trading, in the relevant Futures Contract on the relevant Exchange;
- (ii) the disappearance of, or of trading in, the Commodity; or
- (iii) 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 Commodity.

“Exchange” means, in relation to a Commodity, the exchange or principal trading market specified as such for such Commodity in the applicable Final Terms or Commodity Reference Price.

“Fallback Reference Price” means that the Calculation Agent will determine the Relevant 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 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 Commodity or Commodity Index referred to in that Commodity Reference Price.

“Material Change in Content” means the occurrence since the Trade Date of a material change in the content, composition or constitution of the relevant Commodity or relevant Futures Contract.

“Material Change in Formula” means the occurrence since the Trade Date of a material change in the formula for or method of calculating the relevant Commodity Reference Price.

“Nearby Month” when preceded by a numerical adjective, means, in respect of a Delivery Date and a Pricing Date, the month of expiration of the Futures Contract identified by the numerical adjective, so that, for example, (i) “First Nearby Month” means the month of expiration of the first Futures Contract to expire following that Pricing Date and (ii) “Second Nearby Month” means the month of expiration of the second Futures Contract to expire following that Pricing Date, etc.

“Postponement” means that the Pricing Date will be deemed, for purposes of the application of this Disruption Fallback, to be the first succeeding Commodity Business Day on which the Market Disruption Event ceases to exist, unless that 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 (or, if applicable, if the Pricing Date as specified in the Final

Terms is adjusted on account of such original date not being a Commodity Business Day, measured from and including the day that is the original date that would otherwise have been the Pricing Date, following such adjustment specified in the applicable Final Terms on account of such original date not being a Commodity Business Day)). In that case, the next Disruption Fallback specified in the definition of “Disruption Fallback” below will apply.

“**Price Source**” means 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) specified in the specified Commodity Reference Price or otherwise in the applicable Final Terms.

“**Price Source Disruption**” means:

- (i) 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
- (ii) the temporary or permanent discontinuance or unavailability of the Price Source.

For these purposes:

- (a) a suspension of the trading in the Futures Contract or the Commodity on any Commodity Business Day shall be deemed to be material only if:
 - (i) all trading in the Futures Contract or the Commodity is suspended for the entire Pricing Date; or
 - (ii) all trading in the Futures Contract or the 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 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 Commodity on any Commodity Business Day shall be deemed to be material only if the relevant Exchange establishes limits on the range within which the price of the Futures Contract or the Commodity may fluctuate and the closing or settlement price of the Futures Contract or the Commodity on such day is at the upper or lower limit of that range.

“**Pricing Date**” has the meaning given to it in the applicable Final Terms.

“**Relevant Commodity**” means, in respect of a Commodity Linked Note, such Commodity as is so specified in the applicable Final Terms, and, if more than one commodity is so specified in the applicable Final Terms, then all such commodities shall be referred to as the “**Relevant Commodities**”.

“**Relevant Price**” means for any Pricing Date, the price, expressed as a price per unit of the Commodity or the price of the Commodity Index, determined with respect to that day for the specified Commodity Reference Price calculated as provided in these Commodity Linked Conditions and the applicable Final Terms.

“**Specified Price**” means, in respect of a Commodity Reference Price, any of the following prices (which must be a price reported in or by, or capable of being determined from information reported in or by, the relevant Price Source) as specified in the applicable Final Terms (and, if applicable, as of the time so specified): (A) the high price; (B) the low price; (C) the average of the high price and the low price; (D) the closing price; (E) the opening price; (F) the bid price; (G) the asked price; (H) the average of the bid price and the asked price; (I) the settlement price; (J) the official settlement price; (K) the official price; (L) the morning fixing; (M) the afternoon fixing; (N) the spot price; or (O) any other price specified in the applicable Final Terms.

3. Terms relating to Calculation of Prices

(a) *Common Pricing*

With respect to Commodity Linked Notes relating to a Basket of Commodities, if “Common Pricing” is specified 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, as determined on the Trade Date of the Notes as of the Issue Date; or
- (ii) “**Not Applicable**” then, if the Calculation Agent determines that a Market Disruption Event has occurred or exists on the Pricing Date in respect of any Relevant Commodity and/or Commodity Index (each an “**Affected Commodity**”), the Relevant Price of each Commodity and/or Commodity Index within the basket which is not affected by the occurrence of a Market Disruption Event shall be determined on its scheduled Pricing Date and the Relevant Price for each Affected Commodity shall be determined in accordance with the first applicable Disruption Fallback that provides a Relevant Price.

All determinations made by the Calculation Agent pursuant to this condition will be conclusive and binding on the Noteholders and the Issuer, except in the case of manifest error.

(b) *Correction to Published Prices*

For purposes of determining or calculating the Relevant Price, if the price published or announced on a given day and used or to be used by the Calculation Agent to determine a Relevant Price is subsequently corrected and the correction is published or announced by the person responsible for that publication or announcement within 30 calendar days after the original publication or announcement (or, if earlier the day falling two Commodity Business Days preceding the date on which payment of any amount or delivery of any assets may have to be made, in each case calculated by reference to such Relevant Price), the Calculation Agent may, in its sole discretion, use such corrected price in such calculation.

4. Market Disruption and Disruption Fallback

If, in the opinion of the Calculation Agent, a Market Disruption Event (as defined below) has occurred and is continuing on any Pricing Date (or, if different, the day on which the price for that Pricing Date would, in the ordinary course, be published by the Price Source), the Relevant Price for that Pricing Date will be determined by the Calculation Agent, in accordance with the first applicable Disruption Fallback (as set out below) that provides a Relevant Price:

(a) *Market Disruption Event*

“**Market Disruption Event**” means the occurrence of any of the following events:

- (i) with respect to all Commodities:
 - (A) Price Source Disruption;
 - (B) Commodity Trading Disruption;
 - (C) Disappearance of Commodity Reference Price; and
- (ii) with respect to all Commodities other than gold, silver, platinum or palladium:
 - (A) Material Change in Formula;
 - (B) Material Change in Content; and
 - (C) any additional Market Disruption Events as specified in the applicable Final Terms; and
- (iii) with respect to a Commodity Index:
 - (A) a temporary or permanent failure by the applicable exchange or other price source to announce or publish (x) the Commodity Reference Price or (y) the closing price for any futures contract included in the Commodity Index;

- (B) a material limitation, suspension or disruption of trading in one or more of the futures contracts included in the Commodity Index which results in a failure by the exchange on which each applicable futures contract is traded to report a closing price for such contract on the day on which such event occurs or any succeeding day on which it continues; or
- (C) the closing price for any futures contract included in the Commodity Index 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) Disruption Fallback

“**Disruption Fallback**” means a source or method that may give rise to an alternative basis for determining the Relevant Price in respect of a specified Commodity Reference Price when a Market Disruption Event occurs or exists on a day that is a Pricing Date in respect of the relevant Note. A Disruption Fallback is applicable if it is specified in the applicable Final Terms or, if no Disruption Fallback is specified in the applicable Final Terms, shall mean:

(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 (measured from and including the original day that would otherwise have been the Pricing Date (or, if applicable, measured from and including the day that is the original date that would otherwise have been the Pricing Date, following the adjustment specified in the applicable Final Terms on account of such original date not being a Commodity Business Day)), or, if shorter, the period commencing on, and including, the original day that would otherwise have been the Pricing Date and ending on, and including, the Commodity Cut-Off Date) provided, however, that the price determined by Postponement shall be the Relevant Price only if Delayed Publication or Announcement does not yield a Relevant Price within those two consecutive Commodity Business Days (or, if applicable, the number of Commodity Business Days (if any) falling within the period ending on the Commodity Cut-Off Date); and
- III. Calculation Agent Determination;

(B) with respect to a Commodity Index the Calculation Agent shall determine the Relevant Price:

- (a) using:
 - (i) with respect to each futures contract included in the Commodity Index which is not affected by the Market Disruption Event, the closing prices of each such contract on the applicable determination date;
 - (ii) with respect to each futures contract included in the Commodity Index which is affected by the Market Disruption Event, but for which a Market Disruption Event ceased to exist on or prior to the Commodity Index Cut-Off Date, the closing prices of each such contract on the first day following the applicable determination date on which no Market Disruption Event is occurring with respect to such contract; and
 - (iii) with respect to each futures contract included in the Commodity Index which is affected by the Market Disruption Event, where a Market Disruption Event continues to exist as of the Commodity Index Cut-Off Date, the Calculation Agent’s good faith estimate of the closing price of each such contract on the Commodity Index Cut-Off Date;
- (b) as specified in the applicable Final Terms.

Subject as provided below, the Calculation Agent shall determine the Relevant Price by reference to the closing prices determined in (a)(i), (a)(ii) and (a)(iii) above using the then current method for calculating the Commodity Reference Price.

Where (i) the original date that would otherwise have been the Pricing Date is adjusted on account of such original date not being a Commodity Business Day, and the Pricing Date would fall on or after the Commodity Index Cut- Off Date following such adjustment, or (ii) a Market Disruption Event with respect to one or more futures contracts included in the Commodity Index has occurred on an applicable determination date and continues to exist as of the relevant Commodity Index Cut-Off Date for such applicable determination date, the Calculation Agent shall determine the Relevant Price on such Commodity Index Cut-Off Date. In calculating the Relevant Price as set out herein, the Calculation Agent shall use the formula for calculating the Commodity Reference Price last in effect prior to the Market Disruption Event (if applicable).

5. Adjustments to a Commodity Index

(a) *Successor Index Sponsor Calculates and Reports a Commodity Index*

If a relevant Commodity 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 Issuer, or (ii) replaced by a successor index using, in the determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of that Commodity Index, then in each case that index (the “**Successor Index**”) will be deemed to be the Commodity Index.

(b) *Modification and Cessation of Calculation of a Commodity Index*

If on or prior to a Pricing Date (i) the relevant Index Sponsor makes a material change in the formula for or the method of calculating a relevant Commodity Index or in any other way materially modifies that Commodity Index (other than a modification prescribed in that formula or method to maintain that Commodity Index in the event of changes in constituent commodities and weightings and other routine events), or (ii) the Index Sponsor permanently cancels a relevant Commodity Index or (iii) the Index Sponsor fails to calculate and announce a relevant Commodity Index and there is no Successor Index Sponsor or Successor Index then the Calculation Agent may at its option (in the case of (i)) and shall (in the case of (ii) and (iii)) (such events (i) (ii) and (iii) to be collectively referred to as “**Index Adjustment Events**”) calculate the Relevant Price using in lieu of the published level for that Commodity Index, the level for that Commodity Index as at the relevant determination date as determined by the Calculation 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).

(c) *Corrections to a Commodity Index*

If the level of a relevant Commodity Index published on any Pricing Date (or, if different, the day on which the price for that Pricing Date would, in the ordinary course, be published by the Price Source) by the relevant Index Sponsor or (if applicable) the relevant Successor Index Sponsor and which is utilized for any calculation or determination made for the purposes of the Commodity Linked Notes (a “**Relevant Calculation**”) is subsequently corrected and the correction (the “**Corrected Commodity Index Level**”) published by the relevant Index Sponsor or (if applicable) the relevant Successor Index Sponsor no later than two Business Days prior to the date on which payment of any amount or delivery of any assets may have to be made, in each case to be calculated by reference to the Relevant Calculation then such Corrected Commodity Index Level shall be deemed to be the relevant level for such Commodity Index on such Pricing Date (or, if different, the day on which the price for that Pricing Date would, in the ordinary course, be published by the Price Source) and the Calculation Agent shall use such Corrected Commodity Index Level in determining the relevant level or price.

ANNEX 4

ADDITIONAL TERMS AND CONDITIONS FOR CREDIT LINKED NOTES

Interpretation

If specified as applicable in the applicable Final Terms, the terms and conditions applicable to Credit Linked Notes shall comprise the terms and conditions of the Notes (the “**Note Conditions**”) and the Additional Terms and Conditions for Credit Linked Notes 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 Note Conditions and the Credit Linked Conditions, the Credit Linked Conditions shall prevail. In the event of any inconsistency between (i) the Note Conditions and/or the Credit Linked Conditions and (ii) the applicable Final Terms, the applicable Final Terms shall prevail.

Unless otherwise stated in these Credit Linked Conditions or in the applicable Final Terms, in the event that any day specified in the section “Credit Linked Notes” in the applicable Final Terms or the last day of any period calculated by reference to calendar days falls on a day that is not a Business Day, such day or last day shall be subject to adjustment in accordance with the applicable Credit Linked Business Day Convention.

In the case of Credit Linked Notes for which more than one Reference Entity is specified in the applicable Final Terms, all references to “the Reference Entity” herein shall be construed to refer to the Reference Entity in respect of which the relevant determination falls to be made at any relevant time and all related provisions and determinations will be construed accordingly.

For the avoidance of doubt no Credit Linked Notes will be considered frustrated, or otherwise void or voidable (whether for mistake or otherwise) solely because:

- (a) any relevant Reference Entity does not exist on, or ceases to exist on or following, the Trade Date; and/or
- (b) Obligations, Deliverable Obligations or the Reference Obligation do not exist on, or cease to exist on or following, the Trade Date.

For the avoidance of doubt, the application of any of Credit Linked Conditions 5, 6, 7, 8 or 10 below shall not preclude the application of any other such Credit Linked Condition either contemporaneously or subsequently and in the event that any such Credit Linked Conditions are inconsistent or the Calculation Agent becomes entitled to exercise a discretion under one or more of such Credit Linked Conditions, the Calculation Agent may elect in its discretion which Credit Linked Condition shall apply and under which Credit Linked Condition or Credit Linked Conditions it shall exercise its discretion.

1. Redemption of Credit Linked Notes

Unless previously redeemed or purchased and cancelled and subject as provided in Credit Linked Condition 2, Credit Linked Condition 3, Credit Linked Condition 4 and Credit Linked Condition 19, as applicable, each nominal amount of Credit Linked Notes equal to the Calculation Amount will be redeemed by the Issuer at its relevant Final Redemption Amount specified in, or determined in the manner specified in, the applicable Final Terms in the relevant Specified Currency on the Maturity Date.

2. Auction Settlement

Where Auction Settlement is specified as the applicable Settlement Method in the applicable Final Terms and a Credit Event Determination Date occurs on or prior to the Auction Final Price Determination Date, the Issuer shall give notice (such notice an “**Auction Settlement Notice**”) to the Noteholders in accordance with Note Condition 14 and, subject to (i) any adjustment in accordance with Credit Linked Condition 13 and (ii) any prior redemption in accordance with Credit Linked Condition 19, redeem all but not some only of the Notes and pay in respect of each nominal amount of Credit Linked Notes equal to the Calculation Amount, the Credit Event Redemption Amount in the relevant Specified Currency on the Credit Event Redemption Date.

Unless settlement has occurred in accordance with the paragraph above, if:

- (i) an Auction Cancellation Date occurs;
- (ii) a No Auction Announcement Date occurs (and in circumstances where such No Auction Announcement Date occurs pursuant to paragraphs (b) or (c)(ii) of the definition of No Auction Announcement Date, the Issuer has not exercised the Movement Option);
- (iii) a DC Credit Event Question Dismissal occurs; or
- (iv) a Credit Event Determination Date was determined pursuant to paragraph (a)(i) of the definition of Credit Event Determination Date or paragraph (a) of the definition of Non- Standard Event Determination Date and no Credit Event Resolution Request Date has occurred in respect of the relevant Credit Event on or prior to the date falling three Business Days after such Credit Event Determination Date; or
- (v) if the Issuer (or an Affiliate acting on behalf of the Issuer) otherwise determines that this is appropriate by reference to its and/or any of its Affiliates' Hedging Arrangements,

then:

- (A) if Fallback Settlement Method – Cash Settlement is specified as applicable in the applicable Final Terms, the Issuer shall redeem the Notes in accordance with Credit Linked Condition 3 below; or
- (B) if Fallback Settlement Method – Physical Delivery is specified as applicable in the applicable Final Terms, the Issuer shall redeem the Notes in accordance with Credit Linked Condition 4 below.

If a Credit Event Determination Date has occurred and the Notes become redeemable in accordance with this Credit Linked Condition 2, upon payment of the Credit Event Redemption Amounts in respect of the Notes, the Issuer shall have discharged its obligations in respect of the Notes and shall have no other liability or obligation whatsoever in respect thereof. The Credit Event Redemption Amount may be less than the Calculation Amount of a Credit Linked Note. Any shortfall shall be borne by the Noteholders and no liability shall attach to the Issuer.

3. Cash Settlement

If a Credit Event Determination Date occurs, then where Cash Settlement is specified as the applicable Settlement Method in the applicable Final Terms or if Credit Linked Condition 2(A) above applies then, subject to any prior redemption in accordance with Credit Linked Condition 19, the Issuer shall give notice (such notice a “**Cash Settlement Notice**”) to the Noteholders in accordance with Note Condition 14 and redeem all but not some only of the Notes and pay in respect of each nominal amount of Credit Linked Notes equal to the Calculation Amount, the Credit Event Redemption Amount in the relevant Specified Currency on the Credit Event Redemption Date. If “Weighted Highest” is specified as the Valuation Method in the applicable Final Terms, the Final Price used for the purposes of calculating the Credit Event Redemption Amount shall be calculated in respect of one or more Valuation Obligations (as defined below) selected by the Calculation Agent in its sole discretion in lieu of the Reference Obligation. For such purposes, references to the term “Reference Obligation” in the definitions of “Final Price”, “Quotation”, “Quotation Amount”, “Full Quotation”, “Weighted Average Quotation” and all related definitions shall, as the case requires, be deemed to refer to each relevant Valuation Obligation. “**Valuation Obligation**” means the relevant Reference Obligation and/or one or more Deliverable Obligations selected by the Calculation Agent in accordance with this Credit Linked Condition 3. The Calculation Agent shall select the relevant Valuation Obligations and determine their respective weightings on or prior to the relevant Valuation Date, and for such purposes shall determine the applicable Deliverable Obligations in accordance with the definition of “Deliverable Obligation” in Credit Linked Condition 12 below and terms relating to Physical Delivery below. The Calculation Agent is not required to select more than one Valuation Obligation and may select the “cheapest” obligation of the Reference Obligation and/or Deliverable Obligations as the relevant Valuation Obligation(s). Notwithstanding the fact that the Calculation Agent may determine the Deliverable Obligations for the purposes of selecting the Valuation Obligations, in no event will the Notes be physically settled and the Calculation Agent is not obliged to select any such Deliverable Obligations as Valuation Obligations.

If a Credit Event Determination Date has occurred and the Notes become redeemable in accordance with this Credit Linked Condition 3, upon payment of the Credit Event Redemption Amounts in respect of the Notes, the Issuer shall have discharged its obligations in respect of the Notes and shall have no other liability or obligation whatsoever in respect thereof. The Credit Event Redemption Amount may be less than the Calculation Amount of a Credit Linked Note. Any shortfall shall be borne by the Noteholders and no liability shall attach to the Issuer.

4. Physical Settlement

If a Credit Event Determination Date occurs, then where Physical Delivery is specified as the applicable Settlement Method in the applicable Final Terms or if Credit Linked Condition 2(B) above applies then, subject to any prior redemption in accordance with Credit Linked Condition 19, the Issuer shall, following the receipt of a Calculation Agent Physical Settlement Notice, give notice (such notice a “**Notice of Physical Settlement**”) to the Noteholders in accordance with Note Condition 14 and redeem all but not some only of the Notes and Deliver in respect of each nominal amount of Credit Linked Notes equal to the Calculation Amount, the Deliverable Obligations comprising the Entitlement on the Credit Settlement Date, subject to and in accordance with the Note Conditions, Annex 6 (Additional Terms and Conditions for Physical Delivery Notes) of the Note Conditions and these Credit Linked Conditions. The Notice of Physical Settlement shall include (i) details of the relevant Reference Entity, (ii) a description of each Deliverable Obligation comprising the Entitlement that the Issuer reasonably expects to Deliver and (iii) the Outstanding Principal Balance or Due and Payable Amount, as applicable, or the equivalent amount in the Settlement Currency (in each case the relevant “**Outstanding Amount**”) and, if different, the face amount, of each such Deliverable Obligation. The aggregate Outstanding Amount of all Deliverable Obligations specified in the Notice of Physical Settlement that the Issuer intends to Deliver shall be the relevant “**Aggregate Outstanding Amount**”. For the avoidance of doubt, the Issuer shall be entitled to select any of the Deliverable Obligations to constitute the Entitlement, irrespective of their market value.

Asset Package Delivery will apply if an Asset Package Credit Event occurs, unless (i) such Asset Package Credit Event occurs prior to the Credit Event Backstop Date determined in respect of the Credit Event specified in the Credit Event Notice or DC Credit Event Announcement applicable to the Credit Event Determination Date, or (ii) if the Reference Entity is a Sovereign, no Package Observable Bond exists immediately prior to such Asset Package Credit Event. Notwithstanding the foregoing, if (i) “Sovereign No Asset Package Delivery” is specified as applicable in the applicable Final Terms or, (ii) “Sovereign No Asset Package Delivery” is specified as “See Physical Settlement Matrix” in the applicable Final Terms and the relevant ISDA Physical Settlement Matrix states that the “2014 Sovereign No Asset Package Delivery Supplement to the 2014 ISDA Credit Derivatives Definitions” is applicable, it shall be deemed that no Package Observable Bond exists with respect to a Reference Entity that is a Sovereign (even if such a Package Observable Bond has been published by ISDA) and accordingly, Asset Package Delivery shall not apply thereto. Where Asset Package Delivery applies, the provisions of paragraph (b) of the definition of “Deliver” below shall apply and the Calculation Agent may make any adjustment in relation to provisions for physical delivery and determination of the Entitlement that it determines to be necessary or desirable to take account of the relevant Asset Package.

The Issuer may, from time to time, following receipt of a Calculation Agent Physical Settlement Amendment Notice, amend a Notice of Physical Settlement by delivering a notice to Noteholders in accordance with Note Condition 14 (each such notification, a “**Physical Settlement Amendment Notice**”) that the Issuer is replacing, in whole or in part, one or more Deliverable Obligations specified in the Notice of Physical Settlement or a prior Physical Settlement Amendment Notice, as applicable, (to the extent the relevant Deliverable Obligation has not been Delivered as of the date such Physical Settlement Amendment Notice is effective). A Physical Settlement Amendment Notice shall specify each replacement Deliverable Obligation that the Issuer will Deliver (each, a “**Replacement Deliverable Obligation**”) and shall also specify the Outstanding Amount of each Deliverable Obligation identified in the Notice of Physical Settlement or a prior Physical Settlement Amendment Notice, as applicable, that is being replaced (with respect to each such Deliverable Obligation, the “**Replaced Deliverable Obligation Outstanding Amount**”). The Outstanding Amount of each Replacement Deliverable Obligation identified in the Physical Settlement Amendment Notice shall be determined by applying the Revised Currency Rate to the relevant Replaced Deliverable Obligation Outstanding Amount. The Outstanding Amount of the Replacement Deliverable Obligation(s) specified in any Physical Settlement Amendment Notice in aggregate with the Outstanding Amount of the

Deliverable Obligation(s) specified in the Notice of Physical Settlement or any earlier Physical Settlement Amendment Notice which, in each case, are not being replaced must not be greater than the Aggregate Outstanding Amount. Each such Physical Settlement Amendment Notice must be effective on or prior to the Credit Settlement Date (determined without reference to any change resulting from such Physical Settlement Amendment Notice). Notwithstanding the foregoing, (i) the Issuer may correct any errors or inconsistencies contained in the Notice of Physical Settlement or any Physical Settlement Amendment Notice, as applicable, by notice to Noteholders in accordance with Note Condition 14, prior to the relevant Delivery Date; and (ii) if Asset Package Delivery is applicable, the Issuer shall on the PSN Effective Date, or as soon as reasonably practicable thereafter (but in any case, prior to the Delivery Date), notify the Noteholders (in accordance with Note Condition 14) of the detailed description of the Asset Package, if any, that the Issuer will Deliver in lieu of the Prior Deliverable Obligation or Package Observable Bond, if any, specified in the Notice of Physical Settlement or Physical Settlement Amendment Notice, as applicable, it being understood in each case that any such notice of correction shall not constitute a Physical Settlement Amendment Notice.

If “Mod R” is specified as applicable in the applicable Final Terms and Restructuring is the only Credit Event specified in a Credit Event Notice, then unless the Deliverable Obligation is a Prior Deliverable Obligation and Asset Package Delivery applies due to a Governmental Intervention, a Deliverable Obligation may be included in the Entitlement only if it (i) is a Fully Transferable Obligation and (ii) has a final maturity date not later than the applicable Restructuring Maturity Limitation Date in each case as of each such date as the Calculation Agent determines relevant for purposes of the Hedging Arrangements.

If “Mod Mod R” is specified as applicable in the applicable Final Terms and Restructuring is the only Credit Event specified in a Credit Event Notice, then unless the Deliverable Obligation is a Prior Deliverable Obligation and Asset Package Delivery applies due to a Governmental Intervention, a Deliverable Obligation may be included in the Entitlement only if it (i) is a Conditionally Transferable Obligation and (ii) has a final maturity date not later than the applicable Modified Restructuring Maturity Limitation Date, in each case, as of each such date as the Calculation Agent determines relevant for purposes of the Hedging Arrangements. For the purposes of this paragraph only and notwithstanding the foregoing, in the case of a Restructured Bond or Loan with a final maturity date on or prior to the 10-year Limitation Date, the final maturity date of such Bond or Loan shall be deemed to be the earlier of such final maturity date or the final maturity date of such Bond or Loan immediately prior to the relevant Restructuring.

If a Credit Event Determination Date has occurred and the Notes become redeemable in accordance with this Credit Linked Condition 4, upon Delivery of the relevant Deliverable Obligations and/or payment of the Partial Cash Settlement Amounts, as the case may be, the Issuer shall have discharged its obligations in respect of the Notes and shall have no other liability or obligation whatsoever in respect thereof. The value of such Deliverable Obligations and/or the Partial Cash Settlement Amount, as the case may be, may be less than the Calculation Amount of a Credit Linked Note. Any shortfall shall be borne by the Noteholders and no liability shall attach to the Issuer.

5. Repudiation/Moratorium Extension

If “Repudiation/Moratorium” is specified as a Credit Event in the applicable Final Terms, the provisions of this Credit Linked Condition 5 shall apply.

Where a Credit Event Determination Date has not occurred on or prior to the Scheduled Maturity Date but the Repudiation/Moratorium Extension Condition has been satisfied on or prior to the Scheduled Maturity Date or, if Credit Linked Condition 8(y) applies, the Postponed Cut-Off Date (as defined in Credit Linked Condition 8) and the Repudiation/Moratorium Evaluation Date in respect of such Potential Repudiation/Moratorium may, in the opinion of the Calculation Agent, fall after the Scheduled Maturity Date, then the Calculation Agent shall notify the Noteholders in accordance with Note Condition 14 that a Potential Repudiation/Moratorium has occurred and:

- (i) where a (A) Repudiation/Moratorium has not occurred on or prior to the Repudiation/Moratorium Evaluation Date or (B) a Repudiation/Moratorium has occurred on or prior to the Repudiation/Moratorium Evaluation Date but a Credit Event Determination Date has not occurred:

- (A) each nominal amount of Notes equal to the Calculation Amount will be redeemed by the Issuer at the Final Redemption Amount on the fifth Business Day following the Repudiation/Moratorium Evaluation Date; and
 - (B) in the case of interest bearing Notes, the Issuer shall be obliged to pay interest calculated as provided herein, accruing from (and including) the Interest Payment Date immediately preceding the Scheduled Maturity Date or, if none, the Interest Commencement Date to (but excluding) the Scheduled Maturity Date but shall only be obliged to make such payment of interest on the fifth Business Day following the Repudiation/Moratorium Evaluation Date and no further or other amount in respect of interest shall be payable and no additional amount shall be payable in respect of such delay; or
- (ii) where a Repudiation/Moratorium has occurred on or prior to the Repudiation/Moratorium Evaluation Date and a Credit Event Determination Date has occurred, the provisions of Credit Linked Condition 2, Credit Linked Condition 3 or Credit Linked Condition 4, as applicable, shall apply to the Credit Linked Notes.

6. **Grace Period Extension**

If “Grace Period Extension” is specified as applicable in the applicable Final Terms, the provisions of this Credit Linked Condition 6 shall apply.

Where a Credit Event Determination Date has not occurred on or prior to the Scheduled Maturity Date but, in the determination of the Calculation Agent, a Potential Failure to Pay has occurred with respect to one or more Obligation(s) in respect of which a Grace Period is applicable on or prior to the Scheduled Maturity Date (and such Grace Period(s) is/are continuing as at the Scheduled Maturity Date), then the Calculation Agent shall notify the Noteholders in accordance with Note Condition 14 that a Potential Failure to Pay has occurred and:

- (i) where (A) a Failure to Pay has not occurred on or prior to the Grace Period Extension Date or (B) a Failure to Pay has occurred on or prior to the Grace Period Extension Date but a Credit Event Determination Date has not occurred:
 - (A) each nominal amount of Notes equal to the Calculation Amount will be redeemed by the Issuer at the Final Redemption Amount on the fifth Business Day following the Grace Period Extension Date; and
 - (B) in the case of interest bearing Notes, the Issuer shall be obliged to pay interest calculated as provided herein, accruing from (and including) the Interest Payment Date immediately preceding the Scheduled Maturity Date or, if none, the Interest Commencement Date to (but excluding) the Scheduled Maturity Date but shall only be obliged to make such payment of interest on the fifth Business Day following the Grace Period Extension Date and no further or other amount in respect of interest shall be payable and no additional amount shall be payable in respect of such delay; or
- (ii) where a Failure to Pay has occurred on or prior to the Grace Period Extension Date and a Credit Event Determination Date has occurred, the provisions of Credit Linked Condition 2, Credit Linked Condition 3 or Credit Linked Condition 4, as applicable, shall apply to the Credit Linked Notes.

7. **Credit Derivatives Determinations Committee Extension**

If, in the determination of the Calculation Agent, a Credit Event Resolution Request Date or a Potential Credit Event has occurred and the Credit Derivatives Determinations Committee has not made its determination on or prior to the Scheduled Maturity Date then the Calculation Agent shall notify Noteholders in accordance with Note Condition 14 that the Maturity Date has been postponed to a date (the “**DC Determination Postponement Date**”) being the day falling five Business Days after: (i) if the Credit Derivatives Determinations Committee Resolves that a Credit Event has occurred, 15

Business Days following the relevant DC Credit Event Announcement; (ii) if the Credit Derivatives Determinations Committee Resolves that a Credit Event has not occurred, the second Business Day following the relevant DC No Credit Event Announcement; or, as applicable, (iii) 15 Business Days following the DC Credit Event Question Dismissal (the date of the relevant DC Credit Event Announcement, DC No Credit Event Announcement or DC Credit Event Dismissal, as applicable, the “**DC Determination Cut-off Date**”) and:

- (i) where (A) a Credit Event has not occurred on or prior to the DC Determination Cut-off Date or (B) a Credit Event has occurred on or prior to the DC Determination Cut-off Date but a Credit Event Determination Date does not occur:
 - (A) each nominal amount of Credit Linked Notes equal to the Calculation Amount will be redeemed by the Issuer at the Final Redemption Amount on the DC Determination Postponement Date; and
 - (B) in the case of interest bearing Notes, the Issuer shall be obliged to pay interest calculated as provided herein, accruing from (and including) the Interest Payment Date immediately preceding the Scheduled Maturity Date or if none the Interest Commencement Date to (but excluding) the Scheduled Maturity Date but shall only be obliged to make such payment of interest on the DC Determination Postponement Date and no further or other amount in respect of interest shall be payable and no additional amount shall be payable in respect of such delay; or
- (ii) where a Credit Event has occurred on or prior to the DC Determination Cut-off Date and a Credit Event Determination Date occurs, the provisions of Credit Linked Condition 2, Credit Linked Condition 3 or Credit Linked Condition 4, as applicable, shall apply to the Credit Linked Notes.

8. Maturity Date Extension

For the avoidance of doubt, the following provisions may be applied on more than one occasion:

Without prejudice to Credit Linked Condition 10, if:

- (x) on or prior to (A) the Scheduled Maturity Date, (B), if applicable, the Repudiation/Moratorium Evaluation Date, (C) if Grace Period Extension is specified as applying in the applicable Final Terms, the Grace Period Extension Date, (D) the last day of the Notice Delivery Period or (E) if applicable, the DC Determination Cut-off Date, as the case may be, a Credit Event Determination Date has not occurred but, in the opinion of the Calculation Agent, a Credit Event or Potential Credit Event may have occurred or may occur; or
- (y) on or prior to the Scheduled Maturity Date, in the opinion of the Calculation Agent, a Potential Repudiation/Moratorium may have occurred or may occur,

the Calculation Agent may at its option notify the Noteholders in accordance with Note Condition 14 that (A) in the case of (x) above, the redemption of the Notes has been postponed and the Repudiation/Moratorium Evaluation Date, the Grace Period Extension Date, the last day of the Notice Delivery Period (which for these purposes shall apply in the case of both (x)(A) and (x)(D) above) or the DC Determination Cut-off Date, as the case may be, has been postponed to the Postponed Cut-Off Date (as defined below) or (B) in the case of (y) above, the redemption of the Notes has been postponed; and:

where:

- (i) in the case of Credit Linked Condition 8(x), a Credit Event Determination Date has not occurred on or prior to the Postponed Cut-Off Date or, in the case of Credit Linked Condition 8(y), the Repudiation/Moratorium Extension Condition is not satisfied on or prior to the Postponed Cut-Off Date:

- (A) subject as provided below, each nominal amount of Notes equal to the Calculation Amount will be redeemed by the Issuer at the Final Redemption Amount on the Postponed Maturity Date; and
- (B) in the case of interest bearing Notes, the Issuer shall be obliged to pay interest calculated as provided herein accruing from (and including) the Interest Payment Date immediately preceding the Scheduled Maturity Date or, if none, the Interest Commencement Date to (but excluding) the Scheduled Maturity Date but shall only be obliged to make such payment of interest on the Postponed Maturity Date (as defined below) and no further or other amount in respect of interest shall be payable and no additional amount shall be payable in respect of such delay; or

(ii) where:

- (A) in the case of Credit Linked Condition 8(x), a Credit Event Determination Date occurs on or prior to the Postponed Cut-Off Date, the provisions of Credit Linked Condition 2, Credit Linked Condition 3 or Credit Linked Condition 4, as applicable, shall apply to the Credit Linked Notes; or
- (B) in the case of Credit Linked Condition 8(y), the Repudiation/Moratorium Extension Condition is satisfied on or prior to the Postponed Cut-Off Date, the provisions of Credit Linked Condition 5 shall apply to the Credit Linked Notes.

For the purposes hereof:

“**Postponed Cut-off Date**” means (i) in the case of Credit Linked Condition 8(x), the fifteenth (15th) Business Day after the Scheduled Maturity Date, the relevant Repudiation/Moratorium Evaluation Date, the Grace Period Extension Date, the last day of the Notice Delivery Period or the DC Determination Cut-off Date, as the case may be; or (ii) in the case of Credit Linked Condition 8(y), the fifteenth (15th) Business Day after the Scheduled Maturity Date or, in each case, if such day is not a Business Day the immediately succeeding Business Day.

“**Postponed Maturity Date**” means the fifth Business Day following the Postponed Cut-off Date.

9. Partial Cash Settlement

If all or a portion of the Obligations comprising the Entitlement are Undeliverable Obligations and/or Hedge Disruption Obligations that have not been Delivered by the Final Delivery Date (as such term is defined in Annex 6 (Additional Terms and Conditions for Physical Delivery Notes) of the Note Conditions), the Issuer shall give notice (a “**Partial Cash Settlement Notice**”) to the Noteholders in accordance with Note Condition 14 and the Issuer shall pay in respect of each Undeliverable Obligation and/or Hedge Disruption Obligation, as the case may be, the Partial Cash Settlement Amount on the Partial Cash Settlement Date.

In the Partial Cash Settlement Notice, the Issuer must give details of why it is unable to deliver the relevant Undeliverable Obligations or Hedge Disruption Obligation, as the case may be.

For the purposes of this Credit Linked Condition 9 only the following terms shall be defined as follows (unless otherwise specified in the applicable Final Terms):

“**Indicative Quotation**” means, in accordance with the Quotation Method, each quotation obtained from a Quotation Dealer at the Valuation Time for (to the extent reasonably practicable) an amount of the Undeliverable Obligation or Hedge Disruption Obligations, as the case may be, equal to the Quotation Amount, which reflects such Quotation Dealer’s reasonable assessment of the price of such Undeliverable Obligation or Hedge Disruption Obligation, as the case may be, based on such factors as such Quotation Dealer may consider relevant, which may include historical prices and recovery rates.

“**Market Value**” means, with respect to an Undeliverable Obligation or Hedge Disruption Obligation, as the case may be, on a Valuation Date, (i) if more than three Full Quotations are obtained, the arithmetic mean of such Full Quotations, disregarding the Full Quotations having the highest and lowest

values (and, if more than one such Full Quotations have the same highest or lowest value, then one of such highest or lowest Full Quotations shall be disregarded); (ii) if exactly three Full Quotations are obtained, the Full Quotation remaining after disregarding the highest and lowest Full Quotations (and, if more than one such Full Quotations have the same highest value or lowest value, then one of such highest or lowest Full Quotations shall be disregarded); (iii) if exactly two Full Quotations are obtained, the arithmetic mean of such Full Quotations; (iv) if fewer than two Full Quotations are obtained and a Weighted Average Quotation is obtained, such Weighted Average Quotation; (v) if Indicative Quotations are specified as applying in the applicable Final Terms and exactly three Indicative Quotations are obtained, the Indicative Quotation remaining after disregarding the highest and lowest Indicative Quotations (and, if more than one such Indicative Quotations have the same highest or lowest value, then one of such highest or lowest Indicative Quotations shall be disregarded); (vi) if fewer than two Full Quotations are obtained and no Weighted Average Quotation is obtained (and, if Indicative Quotations are applicable, fewer than three Indicative Quotations are obtained) then, subject to paragraph (ii) of the definition of “Quotation” below, an amount as determined by the Calculation Agent on the next Business Day on which at least two Full Quotations or a Weighted Average Quotation or, if applicable, three Indicative Quotations are obtained; and (vii) if fewer than two Full Quotations are obtained and no Weighted Average Quotation is obtained (and, if Indicative Quotations are applicable, fewer than three Indicative Quotations are obtained) on the same Business Day on or prior to the tenth Business Day following the Valuation Date, the Market Value shall be any Full Quotation obtained from a Quotation Dealer at the Valuation Time on such tenth Business Day or, if no Full Quotation is obtained, the weighted average of any firm quotations (or, if applicable, Indicative Quotations) for the Undeliverable Obligation or Hedge Disruption Obligation, as the case may be, obtained from Quotation Dealers at the Valuation Time on such tenth Business Day with respect to the aggregate portion of the Quotation Amount for which such quotations were obtained and a quotation deemed to be zero for the balance of the Quotation Amount for which firm quotations (or, if applicable, Indicative Quotations) were not obtained on such day.

“**Partial Cash Settlement Amount**” is deemed to be, for an Undeliverable Obligation or a Hedge Disruption Obligation, as the case may be, an amount calculated by the Calculation Agent equal to the greater of (i) (A) the Outstanding Principal Balance, the Due and Payable Amount or the Currency Amount, as applicable, of each Undeliverable Obligation or Hedge Disruption Obligation, as the case may be, multiplied by (B) the Final Price with respect to such Undeliverable Obligation or Hedge Disruption Obligation, as the case may be, determined as provided in this Credit Linked Condition, less (C) Unwind Costs, if any, (but excluding any Unwind Costs already taken into account in calculating the relevant Entitlement), and (ii) zero, Provided That where (i) a relevant Undeliverable Obligation or Hedge Disruption Obligation forms part of the Asset Package and (ii) the Calculation Agent determines in its sole discretion that a Final Price cannot be reasonably determined in respect of such Undeliverable Obligation or Hedge Disruption Obligation, then the Partial Cash Settlement Amount (i) shall be an amount calculated by the Calculation Agent in its sole discretion equal to the fair market value of the relevant Undeliverable Obligation or Hedge Disruption Obligation less Unwind Costs, if any, (but excluding any Unwind Costs already taken into account in calculating the relevant Entitlement) by reference to such source(s) as it determines appropriate and (ii) may be zero.

“**Partial Cash Settlement Date**” is deemed to be the date falling three Business Days after (a) the date on which the Calculation Agent determines that the provisions of this Credit Linked Condition apply to the relevant Undeliverable Obligation or Hedge Disruption Obligation or, if later, (b) the calculation of the Final Price.

“**Quotation**” means each Full Quotation, the Weighted Average Quotation and, if Indicative Quotations are specified as applying in the applicable Final Terms, each Indicative Quotation obtained and expressed as a percentage of the Outstanding Principal Balance or Due and Payable Amount, as applicable, of the relevant Undeliverable Obligation or Hedge Disruption Obligation with respect to a Valuation Date in the manner that follows:

- (a) The Calculation Agent shall attempt to obtain Full Quotations with respect to each Valuation Date from five or more Quotation Dealers. If the Calculation Agent is unable to obtain two or more such Full Quotations on the same Business Day within three Business Days of a Valuation Date, then on the next following Business Day (and, if necessary, on each Business Day thereafter until the tenth Business Day following the relevant Valuation Date) the Calculation Agent shall attempt to obtain

Full Quotations from five or more Quotation Dealers, and, if two or more Full Quotations are not available, a Weighted Average Quotation. If two or more such Full Quotations or a Weighted Average Quotation are not available on any such Business Day and Indicative Quotations are specified as applying in the applicable Final Terms, the Calculation Agent shall attempt to obtain three Indicative Quotations from five or more Quotation Dealers.

- (b) If the Calculation Agent is unable to obtain two or more Full Quotations or a Weighted Average Quotation (or, if Indicative Quotations are specified as applying in the applicable Final Terms, three Indicative Quotations) on the same Business Day on or prior to the tenth Business Day following the Valuation Date, the Quotations shall be deemed to be any Full Quotation obtained from a Quotation Dealer at the Valuation Time on such tenth Business Day or, if no Full Quotation is obtained, the weighted average of any firm quotations (or, if applicable, Indicative Quotations) for the Undeliverable Obligation or the Hedge Disruption Obligation, as the case may be, obtained from Quotation Dealers at the Valuation Time on such tenth Business Day with respect to the aggregate portion of the Quotation Amount for which such quotations were obtained and a quotation deemed to be zero for the balance of the Quotation Amount for which firm quotations (or, if applicable, Indicative Quotations) were not obtained on such day.
- (c) All Quotations shall be obtained in accordance with the specification or determination made pursuant to the definition of Accrued Interest in Credit Linked Condition 12 below.

“Quotation Amount” is deemed to be, with respect to each type or issue of Undeliverable Obligation or Hedge Disruption Obligation, as the case may be, an amount equal to the Outstanding Principal Balance or Due and Payable Amount (or, in either case, its equivalent in the relevant Obligation Currency which shall be converted by the Calculation Agent by reference to exchange rates in effect at the time that the relevant Quotation is being obtained), as applicable, of such Undeliverable Obligation or Hedge Disruption Obligations, as the case may be.

“Quotation Method” is deemed to be Bid.

“Reference Obligation” is deemed to be each Undeliverable Obligation or Hedge Disruption Obligation, as the case may be.

“Valuation Method” is deemed to be Highest unless fewer than two Full Quotations are obtained or a Weighted Average Quotation applies (or, if applicable, Indicative Quotations), in which case “Valuation Method” is deemed to be Market.

“Valuation Time” is the time specified as such in the applicable Final Terms, or, if no such time is specified, 11:00 a.m. in the principal trading market for the Undeliverable Obligation or the Hedge Disruption Obligation, as the case may be.

“Weighted Average Quotation” means, in accordance with the Quotation Method, the weighted average of firm quotations obtained from Quotation Dealers at the Valuation Time, to the extent reasonably practicable, each for an amount of the Undeliverable Obligation or the Hedge Disruption Obligation, as the case may be, with an Outstanding Principal Balance or Due and Payable Amount, as applicable, of as large a size as available but less than the Quotation Amount that in aggregate are approximately equal to the Quotation Amount.

10. Settlement Suspension

- (i) Suspension

Without prejudice to Credit Linked Condition 8 above, if, following the determination of a Credit Event Determination Date but prior to the relevant Credit Settlement Date or, to the extent applicable, a Valuation Date, there is a DC Credit Event Meeting Announcement, the Calculation Agent may, at its option, determine that the applicable

timing requirements of these Credit Linked Conditions, including, without limitation, in respect of Credit Linked Condition 3, Credit Linked Condition 4, the definitions of Interest Payment Date, Credit Event Redemption Date, Valuation Date, Maturity Date, any other redemption or settlement date, Physical Settlement Period and PSN Cut-off Date and any other Credit Linked Condition provision(s) as determined by the Calculation Agent, shall toll and be suspended and remain suspended (such period of suspension, a “**Suspension Period**”) until the date of the relevant DC Credit Event Announcement or DC Credit Event Question Dismissal. During such suspension period none of the Issuer, the Calculation Agent or any Noteholder are obliged to, nor are they entitled to, take any action in connection with the settlement of the Credit Linked Notes. Once the relevant DC Credit Event Announcement or DC Credit Event Question Dismissal has occurred, the relevant timing requirements of these Credit Linked Conditions that have previously tolled or been suspended shall resume on the Business Day following such public announcement by the DC Secretary with the Issuer having the benefit of the full day notwithstanding when the tolling or suspension began in accordance with this Credit Linked Condition 10.

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

(ii) Interest

In the case of interest bearing Notes:

- (A) if a Suspension Period falls in any one or more Interest Period(s), then no interest (or any interest on any delayed payment of interest) shall accrue during each portion of an Interest Period during which a Suspension Period exists; and
- (B) if an Interest Payment Date falls in a Suspension Period, payment of the relevant interest will be deferred until such date as determined by the Calculation Agent falling no earlier than the first Business Day and no later than the fifth Business Day following the end of the Suspension Period, all subject to the provisions of Note Condition 4 and Credit Linked Conditions 5, 6, 7 and 8.

11. Redemption following a Merger Event

If “Merger Event” is specified as applying in the applicable Final Terms, in the event that in the determination of the Calculation Agent a Merger Event has occurred, the Issuer may give notice to the Noteholders in accordance with Note Condition 14 and redeem all but not some only of the Notes and pay in respect of each nominal amount of Notes equal to the Calculation Amount, the Merger Event Redemption Amount on the Merger Event Redemption Date. Interest (if any) will cease to accrue on the Credit Linked Notes from (and including) the Interest Payment Date immediately preceding the Merger Event Redemption Date or, if no Interest Payment Date has occurred, no interest will accrue on the Credit Linked Notes.

12. Definitions

“**2.5-year Limitation Date**” has the meaning given to that term in the definition of “Limitation Date”.

“**10-year Limitation Date**” has the meaning given to that term in the definition of “Limitation Date”.

“**Accrued Interest**” means for the purpose of these Credit Linked Conditions:

- (a) in respect of any Notes for which “Physical Delivery” is specified to be the Settlement Method in the applicable Final Terms (or for which Physical Delivery is applicable as the Fallback Settlement Method in accordance with Credit Linked Condition 2), the Outstanding Principal Balance of the Deliverable Obligations being Delivered will exclude accrued but unpaid interest,

unless “Include Accrued Interest” is specified in the applicable Final Terms, in which case, the Outstanding Principal Balance of the Deliverable Obligations being Delivered will include accrued but unpaid interest (as the Calculation Agent shall determine in its reasonable discretion);

- (b) in respect of any Notes for which “Cash Settlement” is specified to be the applicable Settlement Method in the applicable Final Terms (or for which Cash Settlement is applicable as the Fallback Settlement Method in accordance with Credit Linked Condition 2), and:
 - (i) “Include Accrued Interest” is specified in the applicable Final Terms, the Outstanding Principal Balance of the Reference Obligation shall include accrued but unpaid interest;
 - (ii) “Exclude Accrued Interest” is specified in the applicable Final Terms, the Outstanding Principal Balance of the Reference Obligation shall not include accrued but unpaid interest; or
 - (iii) neither “Include Accrued Interest” nor “Exclude Accrued Interest” is specified in the applicable Final Terms, the Calculation Agent shall determine, based on the then current market practice in the market of the Reference Obligation whether the Outstanding Principal Balance of the Reference Obligation shall include or exclude accrued but unpaid interest and, if applicable, the amount thereof; or
- (c) if Credit Linked Condition 9 applies, the Calculation Agent shall determine, based on the then current market practice in the market of the relevant Undeliverable Obligation or Hedge Disruption Obligation (as applicable), whether such Quotations shall include or exclude accrued but unpaid interest.

“**Aggregate Outstanding Amount**” has the meaning given to that term in Credit Linked Condition 4.

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

“**Asset Market Value**” means the market value of an Asset, as the Calculation Agent shall determine by reference to an appropriate specialist valuation or in accordance with the methodology determined by the Credit Derivatives Determinations Committee.

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

“**Asset Package Credit Event**” means:

- (a) if “Financial Reference Entity Terms” and “Governmental Intervention” are specified as applicable in the applicable Final Terms:
 - (i) a Governmental Intervention; or
 - (ii) a Restructuring in respect of the Reference Obligation, if “Restructuring” is specified as applicable in the applicable Final Terms and such Restructuring does not constitute a Governmental Intervention; and
- (b) if the Reference Entity is a Sovereign and “Restructuring” is specified as applicable in the applicable Final Terms, a Restructuring,

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

“**Auction**” shall have the meaning as shall be set forth in the relevant Transaction Auction Settlement Terms.

“**Auction Cancellation Date**” shall have the meaning as shall be set forth in the relevant Transaction Auction Settlement Terms.

“**Auction Covered Transaction**” shall have the meaning as shall be set forth in the relevant Transaction Auction Settlement Terms.

“**Auction Final Price**” means the lesser of (i) 100 per cent. and (ii) the Auction Final Price as shall be set forth or referred to in the relevant Transaction Auction Settlement Terms.

“**Auction Final Price Determination Date**” shall have the meaning as shall be set forth in the relevant Transaction Auction Settlement Terms.

“**Auction Settlement Date**” shall mean the date that is the number of Business Days as shall be specified in the relevant Transaction Auction Settlement Terms (or, if a number of Business Days is not so specified, three Business Days) immediately following the Auction Final Price Determination Date.

“**Auction Settlement Notice**” has the meaning given to that term in Credit Linked Condition 2.

“**Bankruptcy**” means the Reference Entity:

- (a) is dissolved (other than pursuant to a consolidation, amalgamation or merger);
- (b) becomes insolvent or is unable to pay its debts or fails or admits in writing in a judicial, regulatory or administrative proceeding or filing its inability generally to pay its debts as they become due;
- (c) makes a general assignment, arrangement, scheme or composition with or for the benefit of its creditors generally, or such a general assignment, arrangement, scheme or composition becomes effective;
- (d) institutes or has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other similar relief under any bankruptcy or insolvency law or other law affecting creditors’ rights, or a petition is presented for its winding-up or liquidation, and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition (i) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation or (ii) is not dismissed, discharged, stayed or restrained in each case within 30 calendar days of the institution or presentation thereof or before the Scheduled Maturity Date, whichever is earlier;
- (e) has a resolution passed for its winding-up or liquidation (other than pursuant to a consolidation, amalgamation or merger);
- (f) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets;
- (g) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within 30 calendar days thereafter or before the Scheduled Maturity Date, whichever is earlier; or
- (h) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has any analogous effect to any of the events specified in paragraphs (a) to (g) above.

“Calculation Agent City Business Day” means a day on which commercial banks and foreign exchange markets are generally open to settle payments in the Calculation Agent City specified in the applicable Final Terms.

“Calculation Agent Physical Settlement Amendment Notice” means a notice by the Calculation Agent to the Issuer containing material information required to be included in a Physical Settlement Amendment Notice to be given by the Issuer.

“Calculation Agent Physical Settlement Notice” means a notice from the Calculation Agent to the Issuer containing material information required to be included in a Notice of Physical Settlement to be given by the Issuer.

“Cash Settlement Notice” has the meaning given to that term in Credit Linked Condition 3.

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

“Conforming Reference Obligation” means a Reference Obligation which is a Deliverable Obligation determined in accordance with paragraph (a) of the definition of Deliverable Obligation below.

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

“Credit Derivatives Determinations Committee” (and each a **“Credit Derivatives Determinations Committee”**) means each committee established pursuant to the DC Rules for purposes of reaching certain DC Resolutions in connection with credit derivative transactions.

“Credit Event” means the occurrence of any one or more of the Credit Events specified in the applicable Final Terms which may include Bankruptcy, Failure to Pay, Obligation Acceleration, Obligation Default, Repudiation/Moratorium, Restructuring or Governmental Intervention, or any additional Credit Event specified in the applicable Final Terms.

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

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

- (d) the imposition of, or any change in, any exchange controls, capital restrictions or any other similar restrictions imposed by any monetary or other authority, however described.

“**Credit Event Backstop Date**” means:

- (a) for purposes of any event that constitutes a Credit Event (or with respect to a Repudiation/Moratorium, if applicable, the event described in paragraph (b) of the definition of Repudiation/Moratorium) for the purposes of the relevant Notes, as determined by DC Resolution, the date that is 60 calendar days prior to the Credit Event Resolution Request Date; or
- (b) otherwise, the date that is 60 calendar days prior to the earlier of:
 - (i) if the Notice Delivery Date occurs during the Notice Delivery Period, the Notice Delivery Date; and
 - (ii) if the Notice Delivery Date occurs during the Post Dismissal Additional Period, the Credit Event Resolution Request Date.

The Credit Event Backstop Date shall not be subject to adjustment in accordance with any Credit Linked Business Day Convention.

“**Credit Event Determination Date**” means, with respect to a Credit Event with respect to which:

- (a) Auction Settlement is the applicable Settlement Method:
 - (i) subject to paragraph (a)(ii) of this definition, the Notice Delivery Date if the Notice Delivery Date occurs during either the Notice Delivery Period or the Post Dismissal Additional Period, provided that neither (A) a DC Credit Event Announcement has occurred nor (B) a DC No Credit Event Announcement has occurred, in each case, with respect to the Credit Event specified in the Credit Event Notice; or
 - (ii) notwithstanding paragraph (a)(i) of this definition, the Credit Event Resolution Request Date, if a DC Credit Event Announcement has occurred, the Credit Event Resolution Request Date has occurred on or prior to the last day of the Notice Delivery Period (including prior to the Trade Date) and either:
 - (A) (I) the Credit Event is not an M(M)R Restructuring; and
 - (II) the Trade Date occurs on or prior to a DC Announcement Coverage Cut-off Date; or
 - (B) (I) the Credit Event is an M(M)R Restructuring; and
 - (II) a Credit Event Notice is delivered and is effective on or prior to the Exercise Cut-off Date,

provided that no Credit Event Notice specifying an M(M)R Restructuring as the only Credit Event has previously been delivered unless the M(M)R Restructuring specified in such Credit Event Notice is also the subject of the DC Credit Event Question resulting in the occurrence of the Credit Event Resolution Request Date, or the Calculation Agent otherwise determines this is consistent with the Hedging Arrangements; or

- (b) paragraph (a) of this definition does not apply, the Non-Standard Credit Event Determination Date,

provided that no Credit Event Determination Date will occur, and any Credit Event Determination Date previously determined with respect to an event shall be deemed not to have occurred, if, or to the extent that, prior to the Auction Final Price Determination Date, a Valuation Date, the Credit Settlement Date,

the Credit Event Redemption Date or the Maturity Date, as applicable, a DC No Credit Event Announcement Date occurs with respect to the relevant event.

If, in accordance with the provisions above, (i) following the determination of a Credit Event Determination Date, such Credit Event Determination Date is deemed (A) to have occurred on a date that is different from the date that was originally determined to be the Credit Event Determination Date or (B) not to have occurred or (ii) a Credit Event Determination Date is deemed to have occurred prior to one or more preceding Interest Payment Dates, the Calculation Agent will determine (1) such adjustment(s) to these Credit Linked Conditions (including any adjustment to payment amounts) as may be required to reflect (I) such deemed date of occurrence or (II) such deemed non-occurrence, of such Credit Event Determination Date and (2) the effective date of such adjustment(s). For the avoidance of doubt, no accruals of interest shall be taken into account when calculating any adjustment to payment amounts.

“**Credit Event Notice**” means a notice from the Calculation Agent to the Issuer (which the Calculation Agent has the right but not the obligation to deliver) that describes a Credit Event that occurred on or after the Credit Event Backstop Date and on or prior to the Extension Date.

Any Credit Event Notice that describes a Credit Event that occurred after the Scheduled Maturity Date must relate to the relevant Potential Failure to Pay, in the case of a Grace Period Extension Date, or the relevant Potential Repudiation/Moratorium, in the case of a Repudiation/Moratorium Evaluation Date.

A Credit Event Notice must contain a description in reasonable detail of the facts relevant to the determination that a Credit Event has occurred. The Credit Event that is the subject of the Credit Event Notice need not be continuing on the date the Credit Event Notice is effective. A Credit Event Notice shall be subject to the requirements regarding notices set out in Credit Linked Condition 16.

“**Credit Event Redemption Amount**” means (i) the amount in the Specified Currency specified as such in the applicable Final Terms or (ii) if no such amount is specified in the applicable Final Terms, an amount in the Specified Currency calculated by the Calculation Agent equal to:

$(AxB)-C$

where:

“**A**” is the Calculation Amount;

“**B**” is the Final Price or the Auction Final Price, as applicable; and “**C**” is Unwind Costs,

provided that in no event shall the Credit Event Redemption Amount be less than zero.

“**Credit Event Redemption Date**” means, subject to Credit Linked Condition 10, the day falling the number of Business Days specified in the applicable Final Terms (or, if a number of Business Days is not so specified, ten (10) Business Days) following the latest of (i) the Auction Settlement Date or the calculation of the Final Price (if Cash Settlement applies or is applicable as the Fallback Settlement Method) and (ii) the Credit Event Determination Date.

“**Credit Event Resolution Request Date**” means, with respect to a DC Credit Event Question, the date, as publicly announced by the DC Secretary, that the relevant Credit Derivatives Determinations Committee Resolves to be the date on which the DC Credit Event Question was effective and on which the relevant Credit Derivatives Determinations Committee was in possession of Publicly Available Information with respect to such DC Credit Event Question.

(a) “**Credit Linked Business Day Convention**” means, for the purposes of these Credit Linked Conditions, the convention for adjusting any relevant date if it would otherwise fall on a day that is not a Business Day. The following terms, when used in conjunction with the term “Credit Linked Business Day Convention” and a date, shall mean that an adjustment will be made if that date would otherwise fall on a day that is not a Business Day so that:

- (b) if “Following” is specified as the applicable Credit Linked Business Day Convention in the applicable Final Terms, that date will be the first following day that is a Business Day (the “**Following Credit Linked Business Day Convention**”);
- (c) if “Modified Following” is specified as the applicable Credit Linked Business Day Convention in the applicable Final Terms, that date will be the first following day that is a Business Day unless that day falls in the next calendar month, in which case that date will be the first preceding day that is a Business Day; and
- (d) if “Preceding” is specified as the applicable Credit Linked Business Day Convention in the applicable Final Terms, that date will be the first preceding day that is a Business Day.

If no Credit Linked Business Day Convention is specified in the applicable Final Terms, the Following Credit Linked Business Day Convention shall apply.

“**Credit Settlement Date**” means the last day of the longest Physical Settlement Period following the PSN Cut-off Date (the “**Scheduled Credit Settlement Date**”) provided that if a Hedge Disruption Event has occurred and is continuing on the second Business Day immediately preceding the Scheduled Credit Settlement Date, the Credit Settlement Date shall be the earlier of

- (i) the second Business Day following the date on which no Hedge Disruption Event subsists and
- (ii) the day falling 60 Business Days following the Scheduled Credit Settlement Date.

“**Currency Amount**” means, with respect to (a) a Deliverable Obligation specified in a Notice of Physical Settlement that is denominated in a currency other than the Settlement Currency, an amount converted to the Settlement Currency using a conversion rate determined by reference to the Currency Rate and (b) a Replacement Deliverable Obligation specified in a Physical Settlement Amendment Notice, an amount converted to the Settlement Currency (or, if applicable, back into the Settlement Currency) using a conversion rate determined by reference to the Currency Rate, if any, and each Revised Currency Rate used to convert each Replaced Deliverable Obligation Outstanding Amount specified in each Physical Settlement Amendment Notice with respect to that portion of the relevant Notes into the currency of denomination of the relevant Replacement Deliverable Obligation.

“**Currency Rate**” means, with respect to (a) a Deliverable Obligation specified in the Notice of Physical Settlement or any Physical Settlement Amendment Notice, as applicable, the rate of conversion between the Settlement Currency and the currency in which the Outstanding Amount of such Deliverable Obligation is denominated that is either (i) determined by reference to the Currency Rate Source as at the Next Currency Fixing Time or (ii) if such rate is not available at such time, determined by the Calculation Agent and (b) a Replacement Deliverable Obligation specified in a Physical Settlement Amendment Notice, the Revised Currency Rate.

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

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

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

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

“DC Credit Event Question” means a notice to the DC Secretary requesting that a Credit Derivatives Determinations Committee be convened to Resolve whether an event that constitutes a Credit Event has occurred.

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

“DC Determination Cut-off Date” has the meaning given to that term in Credit Linked Condition 7.

“DC Determination Postponement Date” has the meaning given to that term in Credit Linked Condition 7.

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

“DC Resolution” has the meaning given to that term in the DC Rules.

“DC Rules” means the Credit Derivatives Determinations Committees Rules, as published by ISDA on its website at www.isda.org (or any successor website thereto) from time to time and as amended from time to time in accordance with the terms thereof.

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

“Default Requirement” means the amount specified as such in the applicable Final Terms or its equivalent as calculated by the Calculation Agent in the relevant Obligation Currency or, if no such amount is specified in the applicable Final Terms, USD10,000,000, or its equivalent as calculated by the Calculation Agent in the relevant Obligation Currency, in either case, as of the occurrence of the relevant Credit Event.

“Deliver” means:

- (a) to deliver, novate, transfer (including, in the case of a Guarantee, transfer of the benefit of the Guarantee), assign or sell, as appropriate, in the manner customary for the settlement of the applicable Deliverable Obligations (which shall include executing all necessary documentation and taking any other necessary actions), in order to convey all right, title (or, with respect to Deliverable Obligations where only equitable title is customarily conveyed, all equitable title) and interest in the Entitlement to the relevant Noteholder free and clear of any and all liens, charges, claims or encumbrances (excluding any liens routinely imposed on all securities in a relevant clearance system, but including without limitation any counterclaim, defence (other than a counterclaim or defence based on the factors set out in (a) to (d) in the definition of “Credit Event” above) or right of set-off by or of the Reference Entity or any applicable Underlying Obligor) provided that (i) if all or a portion of the Entitlement consists of Direct Loan Participations, “Deliver” means to create (or procure the creation of) a participation in favour of the relevant Noteholder and (ii) if a Deliverable Obligation is a Guarantee, “Deliver” means to Deliver both the Underlying Obligation and the Guarantee, provided further that if the Guarantee has a Fixed Cap, “Deliver” means to Deliver the Underlying Obligation, the Guarantee and all claims to any amounts which are subject to such Fixed Cap. “Delivery” and “Delivered” will be construed accordingly. In the case of a Loan, Delivery shall be effected using documentation substantially in the form of the documentation customarily used in the relevant market for Delivery of such Loan at that time.

- (b) If Asset Package Delivery applies, (i) Delivery of a Prior Deliverable Obligation or a Package Observable Bond specified in the Notice of Physical Settlement or Physical Settlement Amendment Notice, as applicable, may be satisfied by Delivery of the related Asset Package, and such Asset Package shall be treated as having the same currency, Outstanding Principal Balance or Due and Payable Amount, as applicable, as the Prior Deliverable Obligation or Package Observable Bond to which it corresponds had immediately prior to the Asset Package Credit Event, (ii) paragraph (a) above shall be deemed to apply to each Asset in the Asset Package provided that if any such Asset is not a Bond, it shall be treated as if it were a Loan for these purposes, (iii) if the Asset Package is zero, the Outstanding Amount of the Prior Deliverable Obligation or Package Observable Bond shall be deemed to have been Delivered in full three Business Days following the date on which the Issuer has notified the Noteholders in accordance with Credit Linked Condition 4 of the detailed description of the Asset Package that it intends to Deliver, (iv) the Issuer may satisfy its obligation to make Delivery of the Prior Deliverable Obligation or Package Observable Bond in part by Delivery of each Asset in the Asset Package in the correct proportion and (v) if the relevant Asset is a Non-Transferable Instrument or Non-Financial Instrument, the Asset shall be deemed to be an amount of cash equal to the Asset Market Value and the term “Asset Package” shall be construed accordingly.

“**Deliverable Obligation**” means:

- (a) any obligation of the Reference Entity (either directly or as provider of a Relevant Guarantee) determined pursuant to the method described in “(A) Method for Determining Deliverable Obligations” below;
- (b) the Reference Obligation;
- (c) solely in relation to a Restructuring Credit Event applicable to a Reference Entity which is a Sovereign, and unless Asset Package Delivery is applicable, any Sovereign Restructured Deliverable Obligation; and
- (d) if Asset Package Delivery is applicable, (i) if Financial Reference Entity Terms is specified as applicable in the applicable Final Terms, any Prior Deliverable Obligation, or (ii) if the Reference Entity is a Sovereign, any Package Observable Bond,

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

(A) *Method for Determining Deliverable Obligations.* For the purposes of this definition of “Deliverable Obligation”, the term “Deliverable Obligation” may be defined as each obligation of the Reference Entity described by the Deliverable Obligation Category specified in the applicable Final Terms, and, subject to paragraph (B) below, having each of the Deliverable Obligation Characteristics, if any, specified in the applicable Final Terms, in each case, as of each such date the Calculation Agent determines relevant for purposes of the Hedging Arrangements. The following terms shall have the following meanings:

- (1) “**Deliverable Obligation Category**” means one of Payment, Borrowed Money, Reference Obligation Only, Bond, Loan, or Bond or Loan (each as defined in the definition of “Obligation” below, except that, for the purpose of determining Deliverable Obligations, the definition of “Reference Obligation Only” shall be amended to state that no Deliverable Obligation Characteristics shall be applicable to Reference Obligation Only).
- (2) “**Deliverable Obligation Characteristics**” means any one or more of Not Subordinated, Credit Linked Specified Currency, Not Sovereign Lender, Not Domestic Currency, Not Domestic Law, Listed, Not Domestic Issuance (each as defined in the definition of “Obligation” below), Assignable Loan, Consent

Required Loan, Direct Loan Participation, Transferable, Maximum Maturity, Accelerated or Matured and Not Bearer, where:

- (i) “**Assignable Loan**” means a Loan that is capable of being assigned or novated to, at a minimum, commercial banks or financial institutions (irrespective of their jurisdiction or organisation) that are not then a lender or a member of the relevant lending syndicate, without the consent of the relevant Reference Entity or the guarantor, if any, of such Loan (or the consent of the applicable borrower if the Reference Entity is guaranteeing such Loan) or any agent;
- (ii) “**Consent Required Loan**” means a Loan that is capable of being assigned or novated with the consent of the Reference Entity or the guarantor, if any, of such Loan (or the consent of the relevant borrower if the Reference Entity is guaranteeing such loan) or any agent;
- (iii) “**Direct Loan Participation**” means a Loan in respect of which, pursuant to a participation agreement, the Issuer is capable of creating, or procuring the creation of, a contractual right in favour of each Noteholder that provides each Noteholder with recourse to the participation seller for a specified share in any payments due under the relevant Loan which are received by such participation seller, any such agreement to be entered into between each Noteholder and either (A) the Issuer (to the extent that the Issuer is then a lender or a member of the relevant lending syndicate), or (B) a Qualifying Participation Seller (if any) (to the extent such Qualifying Participation Seller is then a lender or a member of the relevant lending syndicate);
- (iv) “**Transferable**” means an obligation that is transferable to institutional investors without any contractual, statutory or regulatory restriction, provided that none of the following shall be considered contractual, statutory or regulatory restrictions:
 - (a) contractual, statutory or regulatory restrictions that provide for eligibility for resale pursuant to Rule 144A or Regulation S promulgated under the United States Securities Act of 1933, as amended (and any contractual, statutory or regulatory restrictions promulgated under the laws of any jurisdiction having a similar effect in relation to the eligibility for resale of an obligation);
 - (b) restrictions on permitted investments such as statutory or regulatory investment restrictions on insurance companies and pension funds; or
 - (c) restrictions in respect of blocked periods on or around payment dates or voting periods;
- (v) “**Maximum Maturity**” means an obligation that has a remaining maturity of not greater than the period specified in the applicable Final Terms (or if no such period is specified, thirty years);
- (vi) “**Accelerated or Matured**” means an obligation under which the principal amount owed, whether by reason of maturity, acceleration, termination or otherwise, is due and payable in full in accordance with the terms of such obligation, or would have been but for, and without regard to, any limitation imposed under any applicable insolvency laws; and
- (vii) “**Not Bearer**” means any obligation that is not a bearer instrument unless interests with respect to such bearer instrument are cleared via Euroclear,

Clearstream, International or any other internationally recognised clearing system.

(B) *Interpretation of Provisions.*

- (1) If either of the Obligation Characteristics “Listed” or “Not Domestic Issuance” is specified in the applicable Final Terms, the Final Terms shall be construed as though the relevant Obligation Characteristic had been specified as an Obligation Characteristic only with respect to Bonds.
- (2) If (i) either of the Deliverable Obligation Characteristics “Listed”, “Not Domestic Issuance” or “Not Bearer” is specified in the applicable Final Terms, the Final Terms shall be construed as though such Deliverable Obligation Characteristic had been specified as a Deliverable Obligation Characteristic only with respect to Bonds; (ii) the Deliverable Obligation Characteristic “Transferable” is specified in the applicable Final Terms, the Final Terms shall be construed as though such Deliverable Obligation Characteristic had been specified as a Deliverable Obligation Characteristic only with respect to Deliverable Obligations that are not Loans; or (iii) any of the Deliverable Obligation Characteristics “Assignable Loan”, “Consent Required Loan” or “Direct Loan Participation” is specified in the applicable Final Terms, the Final Terms shall be construed as though such Deliverable Obligation Characteristic had been specified as a Deliverable Obligation Characteristic only with respect to Loans.
- (3) If more than one of “Assignable Loan”, “Consent Required Loan” and “Direct Loan Participation” are specified as Deliverable Obligation Characteristics in the applicable Final Terms, the Deliverable Obligations may include any Loan that satisfies any one of such Deliverable Obligation Characteristics specified and need not satisfy all such Deliverable Obligation Characteristics.
- (4) If an Obligation or a Deliverable Obligation is a Relevant Guarantee, the following will apply:
 - (i) for purposes of the application of the Obligation Category or the Deliverable Obligation Category, the Relevant Guarantee shall be deemed to satisfy the same category or categories as those that describe the Underlying Obligation;
 - (ii) for purposes of the application of the Obligation Characteristics or the Deliverable Obligation Characteristics, both the Relevant Guarantee and the Underlying Obligation must satisfy on the relevant date or dates each of the applicable Obligation Characteristics or Deliverable Obligation Characteristics, if any, specified in the applicable Final Terms from the following list: “Not Subordinated”, “Credit Linked Specified Currency”, “Not Sovereign Lender”, “Not Domestic Currency” and “Not Domestic Law”;
 - (iii) for purposes of the application of the Obligation Characteristics or the Deliverable Obligation Characteristics, only the Underlying Obligation must satisfy on the relevant date or dates each of the applicable Obligation Characteristics or the Deliverable Obligation Characteristics, if any, specified in the applicable Final Terms from the following list: “Listed”, “Not Domestic Issuance”, “Assignable Loan”, “Consent Required Loan”, “Direct Loan Participation”, “Transferable”, “Maximum Maturity”, “Accelerated or Matured” and “Not Bearer”; and
 - (iv) for purposes of the application of the Obligation Characteristics or the Deliverable Obligation Characteristics to an Underlying Obligation, references to the Reference Entity shall be deemed to refer to the Underlying Obligor.

- (5) For purposes of the application of the Deliverable Obligation Characteristic “Maximum Maturity”, remaining maturity shall be determined on the basis of the terms of the Deliverable Obligation in effect at the time of making such determination and, in the case of a Deliverable Obligation that is due and payable, the remaining maturity shall be zero.
- (6) If “Financial Reference Entity Terms” and “Governmental Intervention” are specified as applicable in the applicable Final Terms, if an obligation would otherwise satisfy a particular Obligation Characteristic or Deliverable Obligation Characteristic, the existence of any terms in the relevant obligation in effect at the time of making the determination which permit the Reference Entity’s obligations to be altered, discharged, released or suspended in circumstances which would constitute a Governmental Intervention, shall not cause such obligation to fail to satisfy such Obligation Characteristic or Deliverable Obligation Characteristic.
- (7) For purposes of determining the applicability of Deliverable Obligation Characteristics and the requirements specified in the paragraphs commencing “If “Mod R” ...” and “If “Mod Mod R” ...” in Credit Linked Condition 4 to a Prior Deliverable Obligation or a Package Observable Bond, any such determination shall be made by reference to the terms of the relevant obligation in effect immediately prior to the Asset Package Credit Event.
- (8) If “Subordinated European Insurance Terms” is specified as applicable in the applicable Final Terms, if an obligation would otherwise satisfy the “Maximum Maturity” Deliverable Obligation Characteristic, the existence of any Solvency Capital Provisions in such obligation shall not cause it to fail to satisfy such Deliverable Obligation Characteristic.

For the avoidance of doubt the provisions of this paragraph (B) apply in respect of the definitions of Obligation and Deliverable Obligation as the context admits.

“**Deliverable Obligation Terms**” has the meaning set forth in the relevant Credit Derivatives Auction Settlement Terms.

“**Delivery Date**” means, with respect to a Deliverable Obligation or an Asset Package, the date such Deliverable Obligation is Delivered (or deemed to be Delivered pursuant to the definition of “Deliver” above).

“**Domestic Currency**” means the currency specified as such in the applicable Final Terms and any successor currency thereto (or if no such currency is specified, the lawful currency and any successor currency of (a) the Reference Entity, if the Reference Entity is a Sovereign, or (b) the jurisdiction in which the Reference Entity is organised, if the Reference Entity is not a Sovereign).

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

“**Downstream Affiliate**” means an entity whose outstanding Voting Shares were, at the date of issuance of the Qualifying Guarantee, more than 50 per cent. owned, directly or indirectly, by the Reference Entity. As used herein, “**Voting Shares**” shall mean those shares or other interests that have the power to elect the board of directors or similar governing body of an entity.

“**Due and Payable Amount**” means the amount that is due and payable by the Reference Entity under the obligation whether by reason of maturity, acceleration, termination or otherwise (excluding sums in respect of default interest, indemnities, tax gross-ups and other similar amounts) less all or any portion of such amount which, pursuant to the terms of the obligation (a) is subject to any Prohibited Action, or (b) may otherwise be reduced as a result of the effluxion of time or the occurrence or non-occurrence of an event or circumstance (other than by way of (i) payment or (ii) a Permitted Contingency), in each case, determined in accordance with the terms of the obligation in effect on either (A) the relevant PSN

Effective Date (or if the terms of the obligation are amended after such date but on or prior to the relevant Delivery Date, the Delivery Date), or (B) the relevant Valuation Date, as applicable.

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

“**Eligible Transferee**” means:

- (a) any
 - (i) bank or other financial institution;
 - (ii) insurance or reinsurance company;
 - (iii) mutual fund, unit trust or similar collective investment vehicle (other than an entity described in sub-paragraph (c)(i) below); and
 - (iv) registered or licensed broker or dealer (other than a natural person or proprietorship),
provided, however, in each case that such entity has total assets of at least U.S.\$500 million;
- (b) an Affiliate of an entity specified in paragraph (a);
- (c) each of a corporation, partnership, proprietorship, organisation, trust or other entity:
 - (i) that is an investment vehicle (including, without limitation, any hedge fund, issuer of collateralised debt obligations, commercial paper conduit or other special purpose vehicle) that (A) has total assets of at least U.S.\$100 million or (B) is one of a group of investment vehicles under common control or management having, in aggregate, total assets of at least U.S.\$100 million; or
 - (ii) that has total assets of at least U.S.\$500 million; or
 - (iii) the obligations of which under an agreement, contract or transaction are guaranteed or otherwise supported by a letter of credit or keepwell, support, or other agreement by an entity described in sub-paragraphs (a), (b), (c)(ii) or (d); or
- (d) any Sovereign; or
- (e) any entity or organisation established by treaty or other arrangement between two or more Sovereigns including, without limiting the foregoing, the International Monetary Fund, European Central Bank, International Bank for Reconstruction and Development and European Bank for Reconstruction and Development.

All references in this definition to U.S.\$ include equivalent amounts in other currencies in each case as determined by the Calculation Agent.

“**Entitlement**” means, in respect of each nominal amount of Credit Linked Notes equal to the Calculation Amount, Deliverable Obligations, as selected by the Calculation Agent, with:

- (a) in the case of Deliverable Obligations that are Borrowed Money, an Outstanding Principal Balance; or
- (b) in the case of Deliverable Obligations that are not Borrowed Money, a Due and Payable Amount,

(or, in the case of either (a) or (b), the equivalent Currency Amount of any such amount), in an aggregate amount as of the relevant Delivery Date at least equal to the Calculation Amount less, if Unwind Costs are specified as applying in the applicable Final Terms, Deliverable Obligations with a market value determined by the Calculation Agent on the Business Day selected by the Calculation Agent falling

during the period from and including the Credit Event Determination Date to and including the Delivery Date equal to the Unwind Costs.

“Excluded Deliverable Obligation” means:

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

“Excluded Obligation” means:

- (a) any obligation of a Reference Entity specified as such or of a type described in the applicable Final Terms;
- (b) if “Financial Reference Entity Terms” is specified as applicable in the applicable Final Terms and (i) the relevant Reference Obligation or Prior Reference Obligation, as applicable, is a Senior Obligation, or (ii) there is no Reference Obligation or Prior Reference Obligation, then for purposes of determining whether a Governmental Intervention or Restructuring has occurred, any Subordinated Obligation; and
- (c) if “Financial Reference Entity Terms” is specified as applicable in the applicable Final Terms and the relevant Reference Obligation or Prior Reference Obligation, as applicable, is a Subordinated Obligation, then for purposes of determining whether a Governmental Intervention or Restructuring has occurred, any Further Subordinated Obligation.

“Exercise Cut-off Date” means either:

- (a) with respect to an M(M)R Restructuring and any Note to which paragraph (a) of the definition of Credit Event Determination Date above applies:
 - (i) if the DC Secretary publishes a Final List applicable to the Transaction Auction Settlement Terms and/or Parallel Auction Settlement Terms, the date that is five Relevant City Business Days following the date on which such Final List is published; or
 - (ii) otherwise, the date that is 14 calendar days following the relevant No Auction Announcement Date; or
- (b) with respect to a Credit Event where paragraph (a) of the definition of Credit Event Determination Date does not apply, the relevant Non-Standard Exercise Cut-off Date,

or, in each case, such other date as the relevant Credit Derivatives Determinations Committee Resolves.

“Extension Date” means the latest of:

- (a) the Scheduled Maturity Date;
- (b) the Grace Period Extension Date if (i) “Failure to Pay” and “Grace Period Extension” are specified as applying in the applicable Final Terms and (ii) the Potential Failure to Pay with respect to the relevant Failure to Pay occurs on or prior to the Scheduled Maturity Date; and
- (c) the Repudiation/Moratorium Evaluation Date (if any) if “Repudiation/Moratorium” is specified as applicable in the applicable Final Terms, as applicable.

“Failure to Pay” means after the expiration of any applicable Grace Period (after the satisfaction of any conditions precedent to the commencement of such Grace Period), the failure by the Reference Entity to make, when and where due, any payments in an aggregate amount of not less than the Payment Requirement under one or more Obligations in accordance with the terms of such Obligations at the time of such failure provided that, if an occurrence that would constitute a Failure to Pay (a) is a result of a redenomination that occurs as a result of action taken by a Governmental Authority which is of general application in the jurisdiction of such Governmental Authority and (b) a freely available market rate of conversion existed at the time of the redenomination, then such occurrence will be deemed not to constitute a Failure to Pay unless the redenomination itself constituted a reduction in the rate or amount of interest, principal or premium payable (as determined by reference to such freely available market rate of conversion) at the time of such redenomination.

“Fallback Settlement Method” means, with respect to any Notes for which Auction Settlement is specified as the applicable Settlement Method in the applicable Final Terms, the fallback settlement method specified in the applicable Final Terms.

“Final List” has the meaning given in the DC Rules.

“Final Price” means the price of the relevant Reference Obligation(s), as the case may be, expressed as a percentage of its Outstanding Principal Balance or Due and Payable Amount, as applicable, which shall be the lesser of (i) 100 per cent. and (ii) the price determined in accordance with the Valuation Method specified in the applicable Final Terms or, where applicable, Credit Linked Condition 9. The Calculation Agent shall as soon as practicable after obtaining all Quotations for a Valuation Date, make available for inspection by Noteholders at the specified office of the Fiscal Agent (i) each such Quotation that it receives in connection with the calculation of the Final Price and (ii) a written computation showing its calculation of the Final Price.

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

“Full Quotation” means, in accordance with the Quotation Method each firm quotation obtained from a Quotation Dealer at the Valuation Time, to the extent reasonably practicable, for an amount of the Reference Obligation with an Outstanding Principal Balance or Due and Payable Amount equal to the Quotation Amount.

“Fully Transferable Obligation” means a Deliverable Obligation that is either Transferable, in the case of Bonds, or capable of being assigned or novated to all Eligible Transferees without the consent of any person being required in the case of any Deliverable Obligation other than Bonds, in each case, as of each such date as the Calculation Agent determines relevant for purposes of the Hedging Arrangements. Any requirement that notification of novation, assignment or transfer of a Deliverable Obligation be provided to a trustee, fiscal agent, administrative agent, clearing agent or paying agent for a Deliverable Obligation shall not be considered to be a requirement for consent for purposes of this definition of “Fully Transferable Obligation”.

“Further Subordinated Obligation” means, in respect of a Reference Entity, if the relevant Reference Obligation or Prior Reference Obligation, as applicable, is a Subordinated Obligation, any obligation which is Subordinated thereto.

“Governmental Authority” means:

- (a) any de facto or de jure government (or any agency, instrumentality, ministry or department thereof);
- (b) any court, tribunal, administrative or other governmental, inter-governmental or supranational body;

- (c) any authority or any other entity (private or public) either designated as a resolution authority or charged with the regulation or supervision of the financial markets (including a central bank) of the Reference Entity or some or all of its obligations; or
- (d) any other authority which is analogous to any of the entities specified in paragraphs (a) to (c) above.

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

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

For purposes of this definition of Governmental Intervention, the term “Obligation” shall be deemed to include Underlying Obligations for which the Reference Entity is acting as provider of a Guarantee.

“Grace Period” means:

- (a) subject to paragraphs (b) and (c) below, the applicable grace period with respect to payments under and in accordance with the terms of the relevant Obligation in effect as of the date as of which such Obligation is issued or incurred;
- (b) if “Grace Period Extension” is specified as applying in the applicable Final Terms, a Potential Failure to Pay has occurred on or prior to the Scheduled Maturity Date and the applicable grace period cannot, by its terms, expire on or prior to the Scheduled Maturity Date, the Grace Period will be deemed to be the lesser of such grace period and the period specified as such in the applicable Final Terms or, if no period is specified in the applicable Final Terms, thirty calendar days; and
- (c) if, as of the date as of which an Obligation is issued or incurred, no grace period with respect to payments or a grace period with respect to payments of less than three Grace Period Business Days is applicable under the terms of such Obligation, a Grace Period of three Grace Period Business Days shall be deemed to apply to such Obligation; provided that, unless Grace Period Extension is specified as applying in the applicable Final Terms, such deemed Grace Period shall expire no later than the Scheduled Maturity Date.

“Grace Period Business Day” means a day on which commercial banks and foreign exchange markets are generally open to settle payments in the place or places and on the days specified for that purpose

in the relevant Obligation and if a place or places are not so specified (a) if the Obligation Currency is euro, a T2 Settlement Day, or (b) otherwise, a day on which commercial banks and foreign exchange markets are generally open to settle payments in the principal financial city in the jurisdiction of the Obligation Currency.

“**Grace Period Extension Date**” means, if:

- (a) “Grace Period Extension” is specified as applying in the applicable Final Terms; and
- (b) a Potential Failure to Pay occurs on or prior to the Scheduled Maturity Date,

the date falling the number of days in the Grace Period after the date of such Potential Failure to Pay. If “Grace Period Extension” is not specified as applicable in the applicable Final Terms, Grace Period Extension shall not apply.

“**Guarantee**” means a Relevant Guarantee or a guarantee which is the Reference Obligation.

“**Hedging Arrangements**” means any underlying or related transaction(s), asset purchase(s), asset(s), trading position(s) or arrangement(s) the Issuer and/or any of its Affiliates or agents may enter into or hold from time to time (including, if applicable, on a portfolio basis) to hedge directly or indirectly and whether in whole or in part the credit or other risks or funding of the Issuer issuing and performing its obligations with respect to the Credit Linked Notes.

“**Hedge Disruption Event**” means in the opinion of the Calculation Agent any event or circumstances (including, without limitation, any delay in settlement of any Auction) as a result of which the Issuer and/or any of its Affiliates and/or its agents (a) have not received the relevant Deliverable Obligation(s) under the terms of the Hedging Arrangements and/or (b) cannot maintain, adjust, enter into or exercise rights under its Hedging Arrangements in each case in such a manner as is necessary to meet its obligations in full as these fall due solely with amounts or assets which it is entitled to receive under the Hedging Arrangements on the relevant due date(s) therefor.

“**Hedge Disruption Obligation**” means a Deliverable Obligation included in the Entitlement which, on the Credit Settlement Date for such Deliverable Obligation, the Calculation Agent determines cannot be Delivered as a result of a Hedge Disruption Event.

“**ISDA**” means the International Swaps and Derivatives Association, Inc.

“**ISDA Physical Settlement Matrix**” means the Credit Derivatives Physical Settlement Matrix as published by ISDA on the Date of the Physical Settlement Matrix specified in the applicable Final Terms.

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

“**Latest Maturity Restructured Bond or Loan**” has the meaning given to that term in the definition of “Restructuring Maturity Limitation Date”.

“**Limitation Date**” means the first of March 20, June 20, September 20 or December 20 in any year to occur on or immediately following the date that is one of the following numbers of years after the Restructuring Date: 2.5 years (the “**2.5-year Limitation Date**”), 5 years, 7.5 years, 10 years (the “**10-year Limitation Date**”), 12.5 years, 15 years, or 20 years, as applicable. Limitation Dates shall not be subject to adjustment in accordance with any Credit Linked Business Day Convention.

“**M(M)R Restructuring**” means a Restructuring Credit Event in respect of which either “Mod R” or “Mod Mod R” is specified as applicable in the applicable Final Terms.

“Market Value” means, with respect to the Reference Obligation on a Valuation Date:

- (a) if more than three Full Quotations are obtained, the arithmetic mean of such Full Quotations, disregarding the Full Quotations having the highest and lowest values (and, if more than one such Full Quotations have the same highest value or lowest value, then one of such highest or lowest Full Quotations shall be disregarded);
- (b) if exactly three Full Quotations are obtained, the Full Quotation remaining after disregarding the highest and lowest Full Quotations (and, if more than one such Full Quotations have the same highest value or lowest value, then one of such highest or lowest Full Quotations shall be disregarded);
- (c) if exactly two Full Quotations are obtained, the arithmetic mean of such Full Quotations;
- (d) if fewer than two Full Quotations and a Weighted Average Quotation is obtained, such Weighted Average Quotation;
- (e) if fewer than two Full Quotations are obtained and no Weighted Average Quotation is obtained, subject as provided in the definition of Quotation, an amount the Calculation Agent shall determine on the next Business Day on which two or more Full Quotations or a Weighted Average Quotation is obtained; and
- (f) if two or more Full Quotations or a Weighted Average Quotation are not obtained on or prior to the tenth Business Day following the applicable Valuation Date the Market Value shall be any Full Quotation obtained from a Quotation Dealer at the Valuation Time on such tenth Business Day, or if no Full Quotation is obtained, the weighted average of any firm quotations for the Reference Obligation obtained from Quotation Dealers at the Valuation Time on such tenth Business Day with respect to the aggregate portion of the Quotation Amount for which such quotations were obtained and a quotation deemed to be zero for the balance of the Quotation Amount for which firm quotations were not obtained on such day.

“Merger Event” means that at any time during the period from (and including) the Trade Date to (but excluding) the Scheduled Maturity Date, either (A) the Issuer or a Reference Entity (any such entity, the **“Mergor”**) consolidates or amalgamates with, or merges into, or transfers all or substantially all of its assets to (i) where the Mergor is the Issuer, a Reference Entity or (ii) where the Mergor is a Reference Entity, the Issuer, or (B) (i) the Issuer and (ii) a Reference Entity become Affiliates.

“Minimum Quotation Amount” means the amount specified as such in the applicable Final Terms (or its equivalent in the relevant Obligation Currency) or, if no such amount is so specified, the lower of (a) USD1,000,000 (or its equivalent in the relevant Obligation Currency) and (b) the Quotation Amount.

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

“Modified Restructuring Maturity Limitation Date” means, with respect to a Deliverable Obligation, the Limitation Date occurring on or immediately following the Scheduled Maturity Date.

Subject to the foregoing, if the Scheduled Maturity Date is later than the 10-year Limitation Date, the Modified Restructuring Maturity Limitation Date will be the Scheduled Maturity Date.

In connection with the above, the final maturity date shall be determined on the basis of the terms of the Deliverable Obligation in effect at the time of making such determination and, in the case of a Deliverable Obligation that is due and payable, the final maturity date shall be deemed to be the date on which such determination is made.

“Movement Option” means, with respect to an M(M)R Restructuring for which a No Auction Announcement Date has occurred pursuant to paragraph (b) or (c)(ii) of the definition of No Auction Announcement Date, the option of the Issuer to apply to the Notes, for purposes of settlement, the Parallel Auction Settlement Terms, if any, for purposes of which the Permissible Deliverable

Obligations are more limited than the Deliverable Obligations that could apply in respect of the Reference Transaction (provided that if more than one such set of Parallel Auction Settlement Terms are published, the Parallel Auction Settlement Terms specifying the greatest number of such Permissible Deliverable Obligations shall apply). If no Notice to Exercise Movement Option is delivered by the Issuer on or prior to the Movement Option Cut-off Date, the Notes will be settled in accordance with the Fallback Settlement Method. If a Notice to Exercise Movement Option is delivered by the Issuer on or prior to the Movement Option Cut-off Date, such event will be notified to Noteholders in accordance with Note Condition 14.

“Movement Option Cut-off Date” means the date that is one Relevant City Business Day following the Exercise Cut-off Date, or such other date as the relevant Credit Derivatives Determinations Committee has Resolved.

“Next Currency Fixing Time” means 4:00 p.m. (London time) on the London Business Day immediately following the date on which the Notice of Physical Settlement or relevant Physical Settlement Amendment Notice or relevant Partial Cash Settlement Notice, as applicable, is effective.

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

- (a) no Transaction Auction Settlement Terms and, if applicable, no Parallel Auction Settlement Terms will be published;
- (b) following the occurrence of an M(M)R Restructuring no Transaction Auction Settlement Terms will be published, but Parallel Auction Settlement Terms will be published; or
- (c) the relevant Credit Derivatives Determinations Committee has Resolved that no Auction will be held following a prior public announcement by the DC Secretary to the contrary, in circumstances where either:
 - (i) no Parallel Auction will be held; or
 - (ii) one or more Parallel Auctions will be held.

“Non-Conforming Reference Obligation” means a Reference Obligation which is not a Conforming Reference Obligation.

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

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

“Non-Standard Credit Event Determination Date” means with respect to a Credit Event:

- (a) subject to paragraph (b) of this definition, the Notice Delivery Date, if the Notice Delivery Date occurs during either the Notice Delivery Period or the Post Dismissal Additional Period, provided that neither (i) a DC Credit Event Announcement has occurred nor (ii) a DC No Credit Event Announcement has occurred, in each case, with respect to the Credit Event specified in the Credit Event Notice; or
- (b) notwithstanding paragraph (a) of this definition, if a DC Credit Event Announcement has occurred and the Credit Event Resolution Request Date has occurred on or prior to the last day of the Notice Delivery Period (including prior to the Trade Date) either:
 - (i) the Credit Event Resolution Request Date, if either:

- (A) (1) “Auction Settlement” is not the applicable Settlement Method;
- (2) the relevant Credit Event is not an M(M)R Restructuring; and
- (3) the Trade Date occurs on or prior to the date of the DC Credit Event Announcement; or
- (B) the relevant Credit Event is an M(M)R Restructuring and a Credit Event Notice is delivered and is effective on or prior to the Non-Standard Exercise Cut-Off Date, or
- (ii) the first date on which a Credit Event Notice is delivered and is effective during either the Notice Delivery Period or the period from and including the date of the DC Credit Event Announcement to and including the date that is fourteen calendar days thereafter (provided, in each case, that the relevant Credit Event Resolution Request Date occurred on or prior to the end of the last day of the Notice Delivery Period (including prior to the Trade Date)) if either:
 - (A) (1) “Auction Settlement” is not the applicable Settlement Method;
 - (2) the relevant Credit Event is not an M(M)R Restructuring; and
 - (3) the Trade Date occurs following the date of the related DC Credit Event Announcement and on or prior to a DC Announcement Coverage Cut-off Date; or
 - (B) the Calculation Agent determines this is otherwise consistent with the Hedging Arrangements,

provided that no Credit Event Notice specifying an M(M)R Restructuring as the only Credit Event has previously been delivered unless the M(M)R Restructuring specified in such Credit Event Notice is also the subject of the DC Credit Event Question resulting in the occurrence of the Credit Event Resolution Request Date or the Calculation Agent determines this is otherwise consistent with the Hedging Arrangements.

“**Non-Standard Exercise Cut-off Date**” means, with respect to a Credit Event to which paragraph (a) of the definition of Credit Event Determination Date does not apply:

- (a) if such Credit Event is not an M(M)R Restructuring, either:
 - (i) the Relevant City Business Day prior to the Auction Final Price Determination Date, if any;
 - (ii) the Relevant City Business Day prior to the Auction Cancellation Date, if any; or
 - (iii) the date that is fourteen calendar days following the No Auction Announcement Date, if any, as applicable; or
- (b) if such Credit Event is an M(M)R Restructuring and:
 - (i) the DC Secretary publishes a Final List applicable to the Transaction Auction Settlement Terms and/or Parallel Auction Settlement Terms, the date that is five Relevant City Business Days following the date on which such Final List is published; or
 - (ii) otherwise, the date that is fourteen calendar days following the relevant No Auction Announcement Date.

“Non-Standard Reference Obligation” means, in respect of the Reference Entity, the Original Non-Standard Reference Obligation or if a Substitute Reference Obligation has been determined, the Substitute Reference Obligation.

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

“Notice Delivery Date” means the first date on which both a Credit Event Notice and, unless “Notice of Publicly Available Information” is specified as not applicable in the applicable Final Terms, a Notice of Publicly Available Information, have been delivered by the Calculation Agent.

“Notice Delivery Period” means the period from and including the Trade Date to and including the date that is fifteen Business Days after the Extension Date.

“Notice of Physical Settlement” has the meaning given to that term in Credit Linked Condition 4.

“Notice of Publicly Available Information” means a notice from the Calculation Agent to the Issuer (which the Calculation Agent has the right but not the obligation to deliver) that cites Publicly Available Information confirming the occurrence of the Credit Event or Potential Repudiation/Moratorium, as applicable, described in the Credit Event Notice or Repudiation/Moratorium Extension Notice. The notice given must contain a copy or description in reasonable detail, of the relevant Publicly Available Information. If “Notice of Publicly Available Information” is specified as applicable in the applicable Final Terms and a Credit Event Notice or Repudiation/Moratorium Extension Notice, as applicable, contains Publicly Available Information, such Credit Event Notice or Repudiation/Moratorium Extension Notice will also be deemed to be a Notice of Publicly Available Information. A Notice of Publicly Available Information shall be subject to the requirements regarding notices in Credit Linked Condition 16.

“Notice to Exercise Movement Option” means, with respect to Notes for which (a) an M(M)R Restructuring applies and (b) the Fallback Settlement Method would otherwise be applicable pursuant to the Auction Settlement provisions, a notice from the Issuer to the Calculation Agent that (i) specifies the Parallel Auction Settlement Terms applicable in accordance with the definition of Movement Option and (ii) is effective on or prior to the Movement Option Cut-off Date.

“Obligation” means:

- (a) any obligation of the Reference Entity (either directly or as a provider of a Relevant Guarantee) determined pursuant to the method described in “Method for Determining Obligations” below; and
- (b) the Reference Obligation,

in each case unless it is an Excluded Obligation.

Method for Determining Obligations. For the purposes of paragraph (a) of this definition of Obligation, the term “Obligation” may be defined as each obligation of the Reference Entity described by the Obligation Category specified in the applicable Final Terms, and having each of the Obligation Characteristics (if any) specified in the applicable Final Terms, in each case, immediately prior to the Credit Event which is the subject of either the Credit Event Notice or the DC Credit Event Question resulting in the occurrence of the Credit Event Resolution Request Date, as applicable. The following terms shall have the following meanings:

- (A) **“Obligation Category”** means Payment, Borrowed Money, Reference Obligation Only, Bond, Loan, or Bond or Loan, only one of which shall be specified in the applicable Final Terms, where:
 - (1) **“Payment”** means any obligation (whether present or future, contingent or otherwise) for the payment or repayment of money, including, without limitation, Borrowed Money;

- (2) **“Borrowed Money”** means any obligation (excluding an obligation under a revolving credit arrangement for which there are no outstanding unpaid drawings in respect of principal) for the payment or repayment of borrowed money (which term shall include, without limitation, deposits and reimbursement obligations arising from drawings pursuant to letters of credit);
- (3) **“Reference Obligation Only”** means any obligation that is a Reference Obligation and no Obligation Characteristics shall be applicable to Reference Obligation Only;
- (4) **“Bond”** means any obligation of a type included in the “Borrowed Money” Obligation Category that is in the form of, or represented by, a bond, note (other than notes delivered pursuant to Loans), certificated debt security or other debt security and shall not include any other type of Borrowed Money;
- (5) **“Loan”** means any obligation of a type included in the “Borrowed Money” Obligation Category that is documented by a term loan agreement, revolving loan agreement or other similar credit agreement and shall not include any other type of Borrowed Money; and
- (6) **“Bond or Loan”** means any obligation that is either a Bond or a Loan.
- (B) **“Obligation Characteristics”** means any one or more of Not Subordinated, Credit Linked Specified Currency, Not Sovereign Lender, Not Domestic Currency, Not Domestic Law, Listed and Not Domestic Issuance specified in the applicable Final Terms, where:
- (1) (a) **“Not Subordinated”** means an obligation that is not Subordinated to (I) the Reference Obligation or, (II) the Prior Reference Obligation, if applicable;
- (a) **“Subordination”** means, with respect to an obligation (the **“Second Obligation”**) and another obligation of the Reference Entity to which such obligation is being compared (the **“First Obligation”**), a contractual, trust or other similar arrangement providing that (I) upon the liquidation, dissolution, reorganisation or winding-up of the Reference Entity, claims of the holders of the First Obligation are required to be satisfied prior to the claims of the holders of the Second Obligation or (II) the holders of the Second Obligation will not be entitled to receive or retain principal payments in respect of their claims against the Reference Entity at any time that the Reference Entity is in payment arrears or is otherwise in default under the First Obligation. “Subordinated” will be construed accordingly. For purposes of determining whether Subordination exists or whether an obligation is Subordinated with respect to another obligation to which it is being compared, (x) the existence of preferred creditors arising by operation of law or of collateral, credit support or other credit enhancement or security arrangements shall not be taken into account, except that, notwithstanding the foregoing, priorities arising by operation of law shall be taken into account where the Reference Entity is a Sovereign and (y) in the case of the Reference Obligation or the Prior Reference Obligation, as applicable, the ranking in priority of payment shall be determined as of the date as of which it was issued or incurred (or in circumstances where the Reference Obligation or a Prior Reference Obligation is the Standard Reference Obligation and “Standard Reference Obligation” is applicable, then the priority of payment of the Reference Obligation or the Prior Reference Obligation, as applicable, shall be determined as of the date of selection) and, in each case, shall not reflect any change to such ranking in priority of payment after such date; and
- (b) **“Prior Reference Obligation”** means, in circumstances where there is no Reference Obligation applicable to the relevant Notes, (I) the Reference Obligation most recently applicable thereto, if any, and otherwise, (II) the

obligation specified in the applicable Final Terms as the Reference Obligation, if any, if such Reference Obligation was redeemed on or prior to the Trade Date and otherwise, (III) any unsubordinated Borrowed Money obligation of the Reference Entity;

- (2) **“Credit Linked Specified Currency”** means an obligation that is payable in the currency or currencies specified as such in the applicable Final Terms (or, if Credit Linked Specified Currency is specified in the applicable Final Terms and no currency is so specified, any Standard Specified Currency) provided that if the euro is a Credit Linked Specified Currency, “Credit Linked Specified Currency” shall also include an obligation that was previously payable in the euro, regardless of any redenomination thereafter if such redenomination occurred as a result of action taken by a Governmental Authority of a Member State of the European Union which is of general application in the jurisdiction of such Governmental Authority;
- (3) **“Not Sovereign Lender”** means any obligation that is not primarily owed to (A) a Sovereign or (B) any entity or organisation established by treaty or other arrangement between two or more Sovereigns including, without limiting the foregoing, the International Monetary Fund, European Central Bank, International Bank for Reconstruction and Development and European Bank for Reconstruction and Development, which shall include, without limitation, obligations generally referred to as “Paris Club debt”;
- (4) **“Not Domestic Currency”** means any obligation that is payable in any currency other than applicable Domestic Currency provided that a Standard Specified Currency shall not constitute the Domestic Currency;
- (5) **“Not Domestic Law”** means any obligation that is not governed by applicable Domestic Law, provided that the laws of England and the laws of the State of New York shall not constitute a Domestic Law;
- (6) **“Listed”** means an obligation that is quoted, listed or ordinarily purchased and sold on an exchange; and
- (7) **“Not Domestic Issuance”** means any obligation other than an obligation that was issued (or reissued, as the case may be) or intended to be offered for sale primarily in the domestic market of the Reference Entity. Any obligation that is registered or, as a result of some other action having been taken for such purpose, is qualified for sale outside the domestic market of the Reference Entity (regardless of whether such obligation is also registered or qualified for sale within the domestic market of the Reference Entity) shall be deemed not to be issued (or reissued, as the case may be), or intended to be offered for sale primarily in the domestic market of the Reference Entity.

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

“Obligation Currency” means the currency or currencies in which the Obligation is denominated.

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

“Original Non-Standard Reference Obligation” means the obligation of the Reference Entity (either directly or as provider of a guarantee) which is specified as the Reference Obligation in respect of such Reference Entity in the applicable Final Terms (if any is so specified) provided that if an obligation is not an obligation of the Reference Entity, such obligation will not constitute a valid Original Non-Standard Reference Obligation for purposes of the relevant Notes (other than for the purposes of determining the Seniority Level and for the “Not Subordinated” Obligation Characteristic or “Not Subordinated” Deliverable Obligation Characteristic) unless (a) this definition of “Original Non-Standard Reference Obligation” is specifically amended or overridden in the applicable Final Terms, or (b) the relevant Notes are Reference Obligation Only Notes.

“Outstanding Amount” has the meaning given to that term in Credit Linked Condition 4.

“Outstanding Principal Balance” means the outstanding principal balance of an obligation which will be calculated as follows:

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

in each case, determined:

- (i) unless otherwise specified, in accordance with the terms of the obligation in effect on either (A) such date as the Calculation Agent determines appropriate taking into account the Hedging Arrangements, or (B) the relevant Valuation Date; and
- (ii) with respect to the Quantum of the Claim only, in accordance with any applicable laws (insofar as such laws reduce or discount the size of the claim to reflect the original issue price or accrued value of the obligation).

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

“Parallel Auction” means “Auction” as such term shall be defined in the relevant Parallel Auction Settlement Terms.

“Parallel Auction Cancellation Date” means “Auction Cancellation Date” as such term shall be defined in the relevant Parallel Auction Settlement Terms.

“Parallel Auction Settlement Terms” means, following the occurrence of an M(M)R Restructuring, any Credit Derivatives Auction Settlement Terms published by ISDA with respect to such M(M)R Restructuring, and for which (i) the Deliverable Obligation Terms are the same as the Reference Transaction and (ii) the Reference Transaction would not be an Auction Covered Transaction provided

that if no such Credit Derivatives Auction Settlement Terms are published, the Calculation Agent may select in its sole discretion the applicable Credit Derivatives Auction Settlement Terms.

“Parallel Notice of Physical Settlement Date” means “Notice of Physical Settlement Date” as defined in the relevant Parallel Auction Settlement Terms.

“Payment Requirement” means the amount specified as such in the applicable Final Terms or its equivalent in the relevant Obligation Currency or, if no such amount is specified in the applicable Final Terms, USD1,000,000, or its equivalent as calculated by the Calculation Agent in the relevant Obligation Currency, in either case, as of the occurrence of the relevant Failure to Pay or Potential Failure to Pay, as applicable.

“Permissible Deliverable Obligations” has the meaning set forth in the relevant Credit Derivatives Auction Settlement Terms, being either all or the portion of the Deliverable Obligations included in the Final List pursuant to the Deliverable Obligation Terms applicable to the relevant Auction.

“Permitted Contingency” means, with respect to an obligation, any reduction to the Reference Entity’s payment obligations:

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

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

“Physical Settlement Amendment Notice” has the meaning given to that term in Credit Linked Condition 4.

“Physical Settlement Period” means, subject to Credit Linked Condition 10, the number of Business Days specified as such in the applicable Final Terms or, if a number of Business Days is not so specified, then, with respect to a Deliverable Obligation comprising the Entitlement, the longest number of Business Days for settlement in accordance with then current market practice of such Deliverable Obligation, as determined by the Calculation Agent provided that if the Issuer has notified the Noteholders in accordance with Credit Linked Condition 4 that it will Deliver an Asset Package in lieu of a Prior Deliverable Obligation or a Package Observable Bond, the Physical Settlement Period shall be 35 Business Days.

“Post Dismissal Additional Period” means the period from and including the date of the DC Credit Event Question Dismissal to and including the date that is fourteen calendar days thereafter (provided

that the relevant Credit Event Resolution Request Date occurred on or prior to the end of the last day of the Notice Delivery Period (including prior to the Trade Date)).

“**Potential Credit Event**” means a Potential Failure to Pay (if Failure to Pay is an applicable Credit Event in respect of the Reference Entity), a Potential Repudiation/Moratorium (if Repudiation/Moratorium is an applicable Credit Event in respect of the Reference Entity) or if a Credit Event Resolution Request Date has or may have occurred and the relevant Credit Derivatives Determinations Committee has not made its determination, such event will be deemed to be a Potential Credit Event. A Credit Derivatives Determinations Committee and the Calculation Agent may each determine whether a Potential Failure to Pay or a Potential Repudiation/Moratorium has or may have occurred.

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

“**Potential Repudiation/Moratorium**” means the occurrence of an event described in paragraph (a) of the definition of Repudiation/Moratorium.

“**Prior Deliverable Obligation**” means:

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

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

“**Prohibited Action**” means any counterclaim, defence (other than a counterclaim or defence based on the factors set forth in (a) to (d) of the definition of Credit Event above) or right of set-off by or of the Reference Entity or any applicable Underlying Obligor.

“**PSN Cut-off Date**” means subject, where applicable, to Credit Linked Condition 10:

- (a) subject to paragraph (b) below, the later of:
 - (i) the thirtieth calendar day after the Credit Event Determination Date; and
 - (ii) the tenth calendar day after either the date of the relevant DC Credit Event Announcement or of the relevant DC Credit Event Question Dismissal, if any (or, if the relevant Credit Event is an M(M)R Restructuring, the tenth calendar day after the Non-Standard Exercise Cut-off Date); or
- (b) if, in accordance with the terms of Credit Linked Condition 2 above, Credit Linked Condition 2(B) applies as a result of the occurrence of (a) an Auction Cancellation Date or (b) a No Auction Announcement Date and:
 - (i) the relevant Credit Event is not an M(M)R Restructuring, the later of:

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

provided that in the case of paragraphs (a)(ii) and (b) above, the relevant Credit Event Resolution Request Date, if any, occurred on or prior to the date described in paragraph (a)(i) above.

“PSN Effective Date” means the date on which a Calculation Agent Physical Settlement Notice or Calculation Agent Physical Settlement Amendment Notice, as the case may be, is delivered to the Issuer.

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

“Publicly Available Information” means information that reasonably confirms any of the facts relevant to the determination that the Credit Event or a Potential Repudiation/Moratorium, as applicable, described in a Credit Event Notice or Repudiation/Moratorium Extension Notice have occurred and which:

- (a) has been published in or on not less than the Specified Number of Public Sources (regardless of whether the reader or user thereof pays a fee to obtain such information); or
- (b) is information received from or published by (i) the Reference Entity (or, if the Reference Entity is a Sovereign, any agency, instrumentality, ministry, department or other authority thereof acting in a governmental capacity (including, without limiting the foregoing, the central bank) of such Sovereign) or (ii) a trustee, fiscal agent, administrative agent, clearing agent, paying agent, facility agent or agent bank for an Obligation; or
- (c) is information contained in any order, decree, notice, petition or filing, however described, of or filed with a court, tribunal, exchange, regulatory authority or similar administrative, regulatory or judicial body,

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

In relation to any information of the type described in paragraphs (b) or (c) above, the Calculation Agent may assume that such information has been disclosed to it without violating any law, agreement, understanding or other restriction regarding the confidentiality of such information and that the entity disclosing such information has not taken any action or entered into any agreement or understanding with the Reference Entity or any Affiliate of the Reference Entity that would be breached by, or would prevent, the disclosure of such information to the party receiving such information.

Without limitation, Publicly Available Information need not state:

- (i) in relation to the definition of “Downstream Affiliate”, the percentage of Voting Shares owned by the Reference Entity; and
- (ii) that the relevant occurrence:
 - (A) has met the Payment Requirement or Default Requirement;
 - (B) is the result of exceeding any applicable Grace Period; or
 - (C) has met the subjective criteria specified in certain Credit Events.

In relation to a Repudiation/Moratorium Credit Event, Publicly Available Information must relate to the events described in paragraphs (a) and (b) of the definition of Repudiation/Moratorium below.

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

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

A Qualifying Guarantee shall not include any guarantee:

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

- (ii) by way of Permitted Transfer;
- (iii) by operation of law;
- (iv) due to the existence of a Fixed Cap; or
- (v) due to:
 - (A) provisions permitting or anticipating a Governmental Intervention, if “Financial Reference Entity Terms” is specified as applicable in the applicable Final Terms; or
 - (B) any Solvency Capital Provisions, if “Subordinated European Insurance Terms” is specified as applicable in the applicable Final Terms.

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

In order for a guarantee to constitute a Qualifying Guarantee:

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

“**Qualifying Participation Seller**” means any participation seller that meets the requirements specified in the applicable Final Terms. If no such requirements are specified, there shall be no Qualifying Participation Seller.

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

“**Quotation**” means each Full Quotation and the Weighted Average Quotation obtained and expressed as a percentage of the Outstanding Principal Balance or Due and Payable Amount, as applicable, of the Reference Obligation with respect to a Valuation Date in the manner that follows:

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

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

“Quotation Amount” means the amount specified as such in the applicable Final Terms (which may be specified by reference to an amount in a currency or by reference to “Representative Amount”) or, if no amount is specified in the applicable Final Terms, the amount selected by the Calculation Agent in respect of each Reference Obligation or Deliverable Obligation selected by the Calculation Agent provided that the aggregate of all such amounts (or the equivalents of such amounts in the Specified Currency converted by the Calculation Agent by reference to exchange rates at or about the relevant Valuation Date) shall not exceed the aggregate principal amount of the Notes outstanding on or about the relevant Valuation Date.

“Quotation Dealer” means a dealer in obligations of the type of Obligation(s) for which Quotations are to be obtained including each Quotation Dealer specified in the applicable Final Terms. If no Quotation Dealers are specified in the applicable Final Terms, the Calculation Agent shall select the Quotation Dealers. Upon a Quotation Dealer no longer being in existence (with no successors), or not being an active dealer in the obligations of the type for which Quotations are to be obtained, the Calculation Agent may substitute any other Quotation Dealer(s) for such Quotation Dealer(s).

“Quotation Method” means the applicable Quotation Method specified in the applicable Final Terms by reference to one of the following terms:

- (a) **“Bid”** means that only bid quotations shall be requested from Quotation Dealers;
- (b) **“Offer”** means that only offer quotations shall be requested from Quotation Dealers; or
- (c) **“Mid-market”** means that bid and offer quotations shall be requested from Quotation Dealers and shall be averaged for purposes of determining a relevant Quotation Dealer’s quotation.

If a Quotation Method is not specified in the applicable Final Terms, Bid shall apply.

“Reference Entity” means the entity specified as such in the applicable Final Terms. Any Successor to the Reference Entity either (a) identified pursuant to the definition of “Successor” on or following the Trade Date or (b) identified pursuant to a DC Resolution in respect of a Successor Resolution Request Date and publicly announced by the DC Secretary on or following the Trade Date shall, in each case, with effect from the Succession Date, be the Reference Entity for the purposes of the relevant Series.

“Reference Obligation” means the Standard Reference Obligation, if any, unless:

- (a) “Standard Reference Obligation” is specified as not applicable in the applicable Final Terms, in which case the Reference Obligation will be the Non-Standard Reference Obligation, if any; or
- (b) (i) “Standard Reference Obligation” is specified as applicable in the applicable Final Terms (or no election is specified in the applicable Final Terms), (ii) there is no Standard Reference Obligation and (iii) a Non-Standard Reference Obligation is specified in the applicable Final Terms, in which case the Reference Obligation will be (A) the Non-Standard Reference Obligation to but excluding the first date of publication of the Standard Reference Obligation and (B) the Standard Reference Obligation from such date onwards, provided that the Standard Reference Obligation that is published would have been eligible to be selected as a Substitute Reference Obligation.

If the Standard Reference Obligation is removed from the SRO List, such obligation shall cease to be the Reference Obligation and the Calculation Agent will select as a substitute Reference Obligation any Deliverable Obligation with the same level of seniority as the relevant Seniority Level. In addition, (i) the Calculation Agent may replace the Reference Obligation with any further Deliverable Obligation with the same level of seniority as the relevant Seniority Level from time to time and (ii) if a new obligation is placed on the SRO List, in respect of the relevant Reference Entity, then the Calculation Agent may, but is not obliged to, select the new Standard Reference Obligation in respect of the Reference Entity as the Reference Obligation. The provisions of this definition may be applied by the

Calculation Agent on more than one occasion and are without prejudice to the right of the Calculation Agent to determine a Substitute Reference Obligation.

“**Reference Obligation Only Notes**” means any Notes in respect of which (a) “Reference Obligation Only” is specified as the Obligation Category and, if applicable, the Deliverable Obligation Category in the applicable Final Terms and (b) “Standard Reference Obligation” is specified as not applicable in the applicable Final Terms.

“**Reference Transaction**” means a hypothetical credit derivative transaction:

- (a) for which the Deliverable Obligation Terms, the Reference Obligation and the Reference Entity are (i) the same as in respect of the Notes (if Deliverable Obligation Terms and a Reference Obligation are specified in the applicable Final Terms) or (ii) if and to the extent Deliverable Obligation Terms and/or a Reference Obligation are not so specified, the Deliverable Obligation Terms and Reference Obligation determined by the Calculation Agent to be appropriate in respect of a credit derivative transaction linked to the relevant Reference Entity;
- (b) with a scheduled termination date matching the Scheduled Maturity Date; and
- (c) otherwise having such other characteristics as the Calculation Agent may determine appropriate by reference to, without limitation, the Hedging Arrangements and/or any credit derivative elections made in relation to the Notes.

“**Relevant City Business Day**” has the meaning given in the DC Rules.

“**Relevant Guarantee**” means a Qualifying Affiliate Guarantee or, if “All Guarantees” is specified as applicable in the applicable Final Terms, a Qualifying Guarantee.

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

“**Relevant Obligations**” means the Obligations of the Reference Entity which fall within the Obligation Category “Bond or Loan” and which are outstanding immediately prior to the Succession Date (or, if there is a Steps Plan, immediately prior to the legally effective date of the first succession), provided that:

- (a) any Bonds or Loans outstanding between the Reference Entity and any of its Affiliates, or held by the Reference Entity, shall be excluded;
- (b) if there is a Steps Plan, the Calculation Agent shall, for purposes of the determination required to be made under paragraph (a) of the definition of Successor below, make the appropriate adjustments required to take account of any Obligations of the Reference Entity which fall within the Obligation Category “Bond or Loan” that are issued, incurred, redeemed, repurchased or cancelled from and including the legally effective date of the first succession to and including the Succession Date;
- (c) if “Financial Reference Entity Terms” is specified as applicable in the applicable Final Terms and (i) the Reference Obligation or Prior Reference Obligation, as applicable, is a Senior Obligation, or (ii) there is no Reference Obligation or Prior Reference Obligation, the Relevant Obligations shall only include the Senior Obligations of the Reference Entity which fall within the Obligation Category “Bond or Loan”; and
- (d) if “Financial Reference Entity Terms” is specified as applicable in the applicable Final Terms, and the Reference Obligation or Prior Reference Obligation, as applicable, is a Subordinated Obligation, Relevant Obligations shall exclude Senior Obligations and any Further Subordinated Obligations of the Reference Entity which fall within the Obligation Category “Bond or Loan”, provided that if no such Relevant Obligations exist, “Relevant Obligations” shall only include

the Senior Obligations of the Reference Entity which fall within the Obligation Category “Bond or Loan”.

“**Replaced Deliverable Obligation Outstanding Amount**” has the meaning given to that term in Credit Linked Condition 4.

“**Replacement Deliverable Obligation**” has the meaning given to that term in Credit Linked Condition 4.

“**Representative Amount**” means an amount that is representative for a single transaction in the relevant market and at the relevant time, which amount will be determined by the Calculation Agent.

“**Repudiation/Moratorium**” means the occurrence of both of the following events:

- (a) an authorised officer of the Reference Entity or a Governmental Authority:
 - (x) disaffirms, disclaims, repudiates or rejects, in whole or in part, or challenges the validity of, one or more Obligations in an aggregate amount of not less than the Default Requirement; or
 - (y) declares or imposes a moratorium, standstill, roll-over or deferral, whether *de facto* or *de jure*, with respect to one or more Obligations in an aggregate amount of not less than the Default Requirement; and
- (b) a Failure to Pay, determined without regard to the Payment Requirement, or a Restructuring, determined without regard to the Default Requirement, with respect to any such Obligation occurs on or prior to the Repudiation/Moratorium Evaluation Date.

“**Repudiation/Moratorium Evaluation Date**” means, if a Potential Repudiation/Moratorium occurs on or prior to the Scheduled Maturity Date (i) if the Obligations to which such Potential Repudiation/Moratorium relates include Bonds, the date that is the later of (A) the date that is 60 days after the date of such Potential Repudiation/Moratorium and (B) the first payment date under any such Bond after the date of such Potential Repudiation/Moratorium (or, if later, the expiration date of any applicable Grace Period in respect of such payment date) and (ii) if the Obligations to which such Potential Repudiation/Moratorium relates do not include Bonds, the date that is 60 days after the date of such Potential Repudiation/Moratorium provided that, in either case, the Repudiation/Moratorium Evaluation Date shall occur no later than the Scheduled Maturity Date, unless the Repudiation/Moratorium Extension Condition is satisfied.

“**Repudiation/Moratorium Extension Condition**” will be satisfied:

- (i) if the DC Secretary publicly announces, pursuant to a valid request that was delivered and effectively received on or prior to the date that is 14 calendar days after the Scheduled Maturity Date, that the relevant Credit Derivatives Determinations Committee has Resolved that an event that constitutes a Potential Repudiation/Moratorium has occurred with respect to an Obligation of the Reference Entity and that such event occurred on or prior to the Scheduled Maturity Date; or
- (ii) otherwise, by the delivery by the Calculation Agent to the Issuer of a Repudiation/Moratorium Extension Notice and, unless “Notice of Publicly Available Information” is specified as not applicable in the applicable Final Terms, a Notice of Publicly Available Information that are each effective on or prior to the date that is fourteen calendar days after the Scheduled Maturity Date.

In all cases, the Repudiation/Moratorium Extension Condition will be deemed not to have been satisfied, or not capable of being satisfied, if, or to the extent that, the DC Secretary publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved that either (A) an event does not constitute a Potential Repudiation/Moratorium with respect to an Obligation of the Reference Entity, or (B) an event that constitutes a Potential Repudiation/Moratorium has occurred with respect to an Obligation of the Reference Entity but that such event occurred after the Scheduled Maturity Date.

“Repudiation/Moratorium Extension Notice” means a notice from the Calculation Agent to the Issuer (which the Calculation Agent has the right but not the obligation to deliver) that describes a Potential Repudiation/Moratorium that occurred on or prior to the Scheduled Maturity Date. A Repudiation/Moratorium Extension Notice must contain a description in reasonable detail of the facts relevant to the determination that a Potential Repudiation/Moratorium has occurred and indicate the date of the occurrence. The Potential Repudiation/Moratorium that is the subject of the Repudiation/Moratorium Extension Notice need not be continuing on the date the Repudiation/Moratorium Extension Notice is effective.

“Resolve” has the meaning set out in the DC Rules, and **“Resolved”** and **“Resolves”** shall be construed accordingly.

“Restructured Bond or Loan” means an Obligation which is a Bond or Loan and in respect of which the relevant Restructuring has occurred.

“Restructuring” means, with respect to one or more Obligations and in relation to an aggregate amount of not less than the Default Requirement, any one or more of the following events occurs in a form that binds all holders of such Obligation, is agreed between the Reference Entity or a Governmental Authority and a sufficient number of holders of such Obligation to bind all the holders of the Obligation or is announced (or otherwise decreed) by the Reference Entity or a Governmental Authority in a form that binds all holders of such Obligation (including, in each case, in respect of Bonds only, by way of an exchange), and such event is not expressly provided for under the terms of such Obligation in effect as of the later of the Credit Event Backstop Date applicable to the relevant Notes and the date as of which such Obligation is issued or incurred:

- (i) a reduction in the rate or amount of interest payable or the amount of scheduled interest accruals (including by way of redenomination);
- (ii) a reduction in the amount of principal or premium payable at redemption (including by way of redenomination);
- (iii) a postponement or other deferral of a date or dates for either (A) the payment or accrual of interest, or (B) the payment of principal or premium;
- (iv) a change in the ranking in priority of payment of any Obligation, causing the Subordination of such Obligation to any other Obligation; or
- (v) any change in the currency of any payment of interest, principal or premium to any currency other than the lawful currency of Canada, Japan, Switzerland, the United Kingdom and the United States of America and the euro and any successor currency to any of the aforementioned currencies (which in the case of the euro, shall mean the currency which succeeds to and replaces the euro in whole).

Notwithstanding the above provisions, none of the following shall constitute a Restructuring:

- (a) the payment in euro of interest, principal or premium in relation to an Obligation denominated in a currency of a Member State of the European Union that adopts or has adopted the single currency in accordance with the Treaty establishing the European Community, as amended by the Treaty on European Union;
- (b) the redenomination from euros into another currency, if (i) the redenomination occurs as a result of action taken by a Governmental Authority of a Member State of the European Union which is of general application in the jurisdiction of such Governmental Authority and (ii) a freely available market rate of conversion between euros and such other currency existed at the time of such redenomination and there is no reduction in the rate or amount of interest, principal or premium payable, as determined by reference to such freely available market rate of conversion;
- (c) the occurrence of, agreement to or announcement of any of the events described in (i) to (v) above due to an administrative adjustment, accounting adjustment or tax adjustment or other technical adjustment occurring in the ordinary course of business; and

- (d) the occurrence of, agreement to or announcement of any of the events described in (i) to (v) above in circumstances where such event does not directly or indirectly result from a deterioration in the creditworthiness or financial condition of the Reference Entity, provided that in respect of paragraph (v) above only, no such deterioration in the creditworthiness or financial condition of the Reference Entity is required where the redenomination is from euros into another currency and occurs as a result of action taken by a Governmental Authority of a Member State of the European Union which is of general application in the jurisdiction of such Governmental Authority.

For purposes of this definition of Restructuring and Credit Linked Condition 14, the term Obligation shall be deemed to include Underlying Obligations for which the Reference Entity is acting as provider of a Guarantee. In the case of a Guarantee and an Underlying Obligation, references to the Reference Entity in paragraphs (i) to (v) of this definition of Restructuring shall be deemed to refer to the Underlying Obligor and the references to the Reference Entity in paragraphs (a) to (d) of this definition of Restructuring shall continue to be deemed to refer to the Reference Entity.

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

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

“Restructuring Maturity Limitation Date” means with respect to a Deliverable Obligation, the Limitation Date occurring on or immediately following the Scheduled Maturity Date. Notwithstanding the foregoing, if the final maturity date of the Restructured Bond or Loan with the latest final maturity date of any Restructured Bond or Loan occurs prior to the 2.5 year Limitation Date (such Restructured Bond or Loan, a **“Latest Maturity Restructured Bond or Loan”**) and the Scheduled Maturity Date occurs prior to the final maturity date of such Latest Maturity Restructured Bond or Loan, then the Restructuring Maturity Limitation Date will be the final maturity date of such Latest Maturity Restructured Bond or Loan. For these purposes, the final maturity date shall be determined on the basis of the terms of the Deliverable Obligation in effect at the time of making such determination and, in the case of a Deliverable Obligation that is due and payable, the final maturity date shall be deemed to be the date on which such determination is made.

“Revised Currency Rate” means, with respect to a Replacement Deliverable Obligation specified in a Physical Settlement Amendment Notice, the rate of conversion between the currency in which the Replaced Deliverable Obligation Outstanding Amount is denominated and the currency in which the Outstanding Amount of such Replacement Deliverable Obligation is denominated that is determined either (a) by reference to the Currency Rate Source as at the Next Currency Fixing Time or (b) if such rate is not available at such time, by the Calculation Agent.

“Seniority Level” means, with respect to an obligation of the Reference Entity:

- (a) “Senior Level” or “Subordinated Level” as specified in the applicable Final Terms; or
- (b) if no such seniority level is specified in the applicable Final Terms, “Senior Level” if the Original Non-Standard Reference Obligation is a Senior Obligation or “Subordinated Level” if the Original Non-Standard Reference Obligation is a Subordinated Obligation, failing which;
- (c) “Senior Level”.

“Senior Obligation” means any obligation which is not Subordinated to any unsubordinated Borrowed Money obligation of the relevant Reference Entity.

“Settlement Currency” means the currency specified as such in the applicable Final Terms, or if no currency is specified in the applicable Final Terms, the Specified Currency of the Notes.

“Settlement Method” means, if (a) Auction Settlement is specified as the applicable Settlement Method in the applicable Final Terms or if no Settlement Method is specified in the applicable Final Terms,

Auction Settlement, (b) Cash Settlement is specified as the applicable Settlement Method in the applicable Final Terms, Cash Settlement, or (c) Physical Delivery is specified as the applicable Settlement Method in the applicable Final Terms, Physical Delivery.

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

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

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

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

“**Specified Number**” means the number of Public Source(s) specified in the applicable Final Terms, or if no such number is specified in the applicable Final Terms, two.

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

“**Standard Reference Obligation**” means the obligation of the Reference Entity with the relevant Seniority Level which is specified from time to time on the SRO List.

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

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

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

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

- (a) The Calculation Agent shall identify the Substitute Reference Obligation in accordance with paragraphs (c), (d) and (e) below to replace the Non-Standard Reference Obligation; provided that the Calculation Agent will not identify an obligation as the Substitute Reference Obligation if, at the time of the determination, such obligation has already been rejected as the Substitute Reference Obligation by the relevant Credit Derivatives Determinations Committee and such obligation has not changed materially since the date of the relevant DC Resolution.
- (b) If any of the events set forth under paragraphs (a) or (b)(ii) of the definition of Substitution Event have occurred with respect to the Non-Standard Reference Obligation, the Non-Standard

Reference Obligation will cease to be the Reference Obligation (other than for purposes of the “Not Subordinated” Obligation Characteristic or “Not Subordinated” Deliverable Obligation Characteristic and paragraph (c)(ii) below). If the event set forth in paragraph (b)(i) of the definition of Substitution Event below has occurred with respect to the Non-Standard Reference Obligation and no Substitute Reference Obligation is available, the Non-Standard Reference Obligation will continue to be the Reference Obligation until the Substitute Reference Obligation is identified or, if earlier, until any of the events set forth under paragraphs (a) or (b)(ii) of the definition of Substitution Event below occur with respect to such Non-Standard Reference Obligation.

- (c) The Substitute Reference Obligation shall be an obligation that on the Substitution Date:
- (i) is a Borrowed Money obligation of the Reference Entity (either directly or as provider of a guarantee);
 - (ii) satisfies the Not Subordinated Deliverable Obligation Characteristic as of the date it was issued or incurred (without reflecting any change to the priority of payment after such date) and on the Substitution Date; and
 - (iii) (A) if the Non-Standard Reference Obligation was a Conforming Reference Obligation when issued or incurred and immediately prior to the Substitution Event Date:
 - I. is a Deliverable Obligation (other than a Loan) determined in accordance with paragraph (a) of the definition of Deliverable Obligation above; or if no such obligation is available,
 - II. is a Loan (other than a Private-side Loan) which constitutes a Deliverable Obligation determined in accordance with paragraph (a) of the definition of Deliverable Obligation above;
 - (B) if the Non-Standard Reference Obligation was a Bond (or any other Borrowed Money obligation other than a Loan) which was a Non-Conforming Reference Obligation when issued or incurred and/or immediately prior to the Substitution Event Date:
 - I. is a Non-Conforming Substitute Reference Obligation (other than a Loan); or if no such obligation is available,
 - II. is a Deliverable Obligation (other than a Loan) determined in accordance with paragraph (a) of the definition of Deliverable Obligation above; or if no such obligation is available,
 - III. is a Non-Conforming Substitute Reference Obligation which is a Loan (other than a Private-side Loan); or if no such obligation is available,
 - IV. is a Loan (other than a Private-side Loan) which constitutes a Deliverable Obligation determined in accordance with paragraph (a) of the definition of Deliverable Obligation above; or
 - (C) if the Non-Standard Reference Obligation was a Loan which was a Non-Conforming Reference Obligation when incurred and/or immediately prior to the Substitution Event Date:
 - I. is a Non-Conforming Substitute Reference Obligation which is a Loan (other than a Private-side Loan); or if no such obligation is available,
 - II. is a Non-Conforming Substitute Reference Obligation (other than a Loan); or if no such obligation is available,

- III. is a Deliverable Obligation (other than a Loan) determined in accordance with paragraph (a) of the definition of Deliverable Obligation above; or if no such obligation is available,
 - IV. is a Loan (other than a Private-side Loan) which constitutes a Deliverable Obligation determined in accordance with paragraph (a) of the definition of Deliverable Obligation above.
- (d) If more than one potential Substitute Reference Obligation is identified pursuant to the process described in paragraph (c) above, the Substitute Reference Obligation will be the potential Substitute Reference Obligation that most closely preserves the economic equivalent of the delivery and payment obligations of the Issuer under the Notes as determined by the Calculation Agent. The Calculation Agent will notify the Noteholders in accordance with Note Condition 14 of the Substitute Reference Obligation as soon as reasonably practicable after it has been identified in accordance with paragraph (c) above and the Substitute Reference Obligation shall replace the Non-Standard Reference Obligation.
 - (e) If a Substitution Event has occurred with respect to the Non-Standard Reference Obligation and the Calculation Agent determines that no Substitute Reference Obligation is available for the Non-Standard Reference Obligation then, subject to paragraph (a) above and notwithstanding the fact that the Non-Standard Reference Obligation may have ceased to be the Reference Obligation in accordance with paragraph (b) above, the Calculation Agent shall continue to attempt to identify the Substitute Reference Obligation until the Extension Date although the Calculation Agent is not obliged to select a Substitute Reference Obligation at any time. If (A) either (i) Cash Settlement is specified as the Settlement Method in the applicable Final Terms (or is applicable pursuant to the Fallback Settlement Method) and the Credit Event Redemption Amount is determined by reference to a Reference Obligation or (ii) either Auction Settlement or Physical Delivery is specified as the Settlement Method in the applicable Final Terms (or, in the case of Physical Delivery, is applicable pursuant to the Fallback Settlement Method) and, in each case, the Reference Obligation is the only Deliverable Obligation and (B) on or prior to the Extension Date, a Substitute Reference Obligation has not been identified, then the Issuer shall have the right on or after the Extension Date to redeem the Notes at the Early Redemption Amount (determined by the Calculation Agent taking into account the creditworthiness of the Reference Entity at the time of the early redemption) by notice to Noteholders in accordance with Note Condition 14, such payment to be made as specified in such notice. Such notice shall contain details of the procedures and due date for such early redemption.
 - (f) For the avoidance of doubt, no Substitute Reference Obligation shall be determined in respect of any Credit Linked Notes that are Reference Obligation Only Notes.

“**Substitution Date**” means, with respect to a Substitute Reference Obligation, the date on which the Calculation Agent notifies the Issuer of the Substitute Reference Obligation that it has identified in accordance with the definition of Substitute Reference Obligation above.

“**Substitution Event**” means, with respect to the Non-Standard Reference Obligation:

- (a) the Non-Standard Reference Obligation is redeemed in whole; or
- (b) provided that the Credit Linked Notes to which the Non-Standard Reference Obligation relates are not Reference Obligation Only Notes:
 - (i) the aggregate amounts due under the Non-Standard Reference Obligation have been reduced by redemption or otherwise below USD 10,000,000 (or its equivalent in the relevant Obligation Currency, as determined by the Calculation Agent); or
 - (ii) for any reason, other than due to the existence or occurrence of a Credit Event, the Non-Standard Reference Obligation is no longer an obligation of the Reference Entity (either directly or as provider of a guarantee).

For purposes of identification of the Non-Standard Reference Obligation, any change in the Non-Standard Reference Obligation's CUSIP or ISIN number or other similar identifier will not, in and of itself, constitute a Substitution Event. If an event described in paragraphs (a) or (b)(i) above has occurred on or prior to the Trade Date, then a Substitution Event shall be deemed to have occurred pursuant to paragraphs (a) or (b)(i) above as the case may be, on the Trade Date.

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

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

“Successor” means:

- (a) subject to paragraph (b) below, the entity or entities, if any, determined as follows:
 - (i) subject to paragraph (vii) below, if one entity succeeds, either directly or as a provider of a Relevant Guarantee, to 75 per cent. or more of the Relevant Obligations of the Reference Entity, that entity will be the sole Successor;
 - (ii) if only one entity succeeds, either directly or as a provider of a Relevant Guarantee, to more than 25 per cent. (but less than 75 per cent.) of the Relevant Obligations of the Reference Entity, and not more than 25 per cent. of the Relevant Obligations of the Reference Entity remain with the Reference Entity, the entity that succeeds to more than 25 per cent. of the Relevant Obligations will be the sole Successor;
 - (iii) if more than one entity each succeeds, either directly or as a provider of a Relevant Guarantee, to more than 25 per cent. of the Relevant Obligations of the Reference Entity, and not more than 25 per cent. of the Relevant Obligations of the Reference Entity remain with the Reference Entity, the entities that succeed to more than 25 per cent. of the Relevant Obligations will each be a Successor and the Note Conditions, these Credit Linked Conditions and/or the applicable Final Terms will be adjusted as provided below;
 - (iv) if one or more entities each succeed, either directly or as a provider of a Relevant Guarantee, to more than 25 per cent. of the Relevant Obligations of the Reference Entity, and more than 25 per cent. of the Relevant Obligations of the Reference Entity remain with the Reference Entity, each such entity and the Reference Entity will each be a Successor and the Note Conditions, these Credit Linked Conditions and/or the applicable Final Terms will be adjusted as provided below;
 - (v) if one or more entities succeed, either directly or as a provider of a Relevant Guarantee, to a portion of the Relevant Obligations of the Reference Entity, but no entity succeeds to more than 25 per cent. of the Relevant Obligations of the
 - (vi) Reference Entity and the Reference Entity continues to exist, there will be no Successor and the Reference Entity will not be changed in any way as a result of such succession;
 - (vii) if one or more entities succeed, either directly or as a provider of a Relevant Guarantee, to a portion of the Relevant Obligations of the Reference Entity, but no entity succeeds to more than 25 per cent. of the Relevant Obligations of the Reference Entity and the Reference Entity ceases to exist, the entity which succeeds to the greatest percentage of Relevant Obligations will be the Successor (provided that if two or more entities succeed to an equal percentage of Relevant Obligations, each such entity will be a Successor and the Note Conditions, these Credit Linked Conditions and/or the applicable Final Terms will be adjusted as provided below); and

- (viii) in respect of a Reference Entity which is not a Sovereign, if one entity assumes all of the obligations (including at least one Relevant Obligation) of the Reference Entity, and at the time of the determination either (A) the Reference Entity has ceased to exist, or (B) the Reference Entity is in the process of being dissolved (howsoever described) and the Reference Entity has not issued or incurred any Borrowed Money obligation at any time since the legally effective date of the assumption, such entity (the “**Universal Successor**”) will be the sole Successor; and
- (b) An entity may only be a Successor if:
 - (i) either (A) the related Succession Date occurs on or after the Successor Backstop Date, or (B) such entity is a Universal Successor in respect of which the Succession Date occurred on or after January 1, 2014;
 - (ii) the Reference Entity had at least one Relevant Obligation outstanding immediately prior to the Succession Date and such entity succeeds to all or part of at least one Relevant Obligation of the Reference Entity; and
 - (iii) where the Reference Entity is a Sovereign, such entity succeeded to the Relevant Obligations by way of a Sovereign Succession Event.

The Calculation Agent will be responsible for determining, as soon as reasonably practicable after delivery of a Successor Notice and with effect from the Succession Date, any Successor or Successors under paragraph (a) above, provided that the Calculation Agent will not make any such determination if, at the time of determination, the DC Secretary has publicly announced that the relevant Credit Derivatives Determinations Committee has Resolved that there is no Successor based on the relevant succession to Relevant Obligations.

The Calculation Agent will make all calculations and determinations required to be made under this definition of Successor on the basis of Eligible Information and will, as soon as practicable after such calculation or determination, make such calculation or determination available for inspection by Noteholders at the specified office of the Fiscal Agent. In calculating the percentages used to determine whether an entity qualifies as a Successor under paragraph (a) above, if there is a Steps Plan, the Calculation Agent shall consider all related successions in respect of such Steps Plan in aggregate as if forming part of a single succession.

Where pursuant to paragraph (a)(iii), (a)(iv), (a)(vi) or (b) above, more than one Successor has been identified, the Calculation Agent shall adjust such of the Note Conditions, these Credit Linked Conditions and/or the applicable Final Terms as it shall determine to be appropriate to reflect that the Reference Entity has been succeeded by more than one Successor and shall determine the effective date of that adjustment. The Calculation Agent shall be deemed to be acting in a commercially reasonable manner if it adjusts such of the Note Conditions, these Credit Linked Conditions and/or the applicable Final Terms in such a manner as to reflect the adjustment to and/or division of any credit derivative transaction(s) related to or underlying the Notes under the provisions of the 2014 ISDA Credit Derivatives Definitions.

Upon the Calculation Agent making such adjustment and notifying the Issuer of such adjustment, the Issuer shall give notice as soon as practicable to Noteholders in accordance with Note Condition 14, stating the adjustment to the Note Conditions, these Credit Linked Conditions and/or the applicable Final Terms and giving brief details of the relevant Successor event.

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

For the purposes of this definition of “Successor”, “succeed” means, with respect to the Reference Entity and its Relevant Obligations, that an entity other than the Reference Entity (i) assumes or becomes liable for such Relevant Obligations whether by operation of law or pursuant to any agreement (including, with respect to a Reference Entity that is a Sovereign, any protocol, treaty, convention, accord, concord, entente, pact or other agreement), or (ii) issues Bonds or incurs Loans (the “**Exchange Bonds**” or “**Loans**”) that are exchanged for Relevant Obligations, and in either case the Reference Entity is not thereafter a direct obligor or a provider of a Relevant Guarantee with respect to such Relevant Obligations or such Exchange Bonds or Loans, as applicable. For purposes of this definition of “Successor”, “succeeded” and “succession” shall be construed accordingly. In the case of an exchange offer, the determinations required pursuant to paragraph (a) of this definition of “Successor” shall be made on the basis of the outstanding principal balance of Relevant Obligations exchanged and not on the basis of the outstanding principal balance of the Exchange Bonds or Loans.

Notwithstanding the provisions above and sub-paragraph (b) of the definition of Reference Entity, in the case of Nth-to-Default Credit Linked Notes, where one or more Reference Entities (each an “**Affected Reference Entity**”) and/or the Issuer would, but for this provision, be identified as a Successor pursuant thereto and at least one other entity which is not a Reference Entity or the Issuer is also identified as a Successor for the purposes of any succession, each Affected Reference Entity and/or the Issuer, as applicable, shall not be regarded as a “Successor” for the purposes of the Notes. Where pursuant to the provisions above or sub-paragraph (b) of the definition of Reference Entity one or more Reference Entities (each an “**Affected Reference Entity**”) and/or the Issuer would, but for this provision, be identified as a Successor pursuant thereto but no other entities (that are not Reference Entities or the Issuer) are identified as a Successor in respect of the relevant succession, each Affected Reference Entity and/or the Issuer, as applicable, shall not be regarded as a “Successor” for the purposes of the Notes and, in respect of each Affected Reference Entity or the Issuer, as applicable, the Calculation Agent shall use reasonable endeavours to (a) select an Alternative Reference Entity to be the Successor in respect of the relevant succession and (b) select an Alternative Reference Obligation to be the Reference Obligation in respect of such Alternative Reference Entity after the relevant succession from (and including) the relevant Succession Date and the Calculation Agent may make such adjustments to the Note Conditions, these Credit Linked Conditions and/or the applicable Final Terms as it determines to be necessary or desirable to reflect such Alternative Reference Entity and Alternative Reference Obligation. If the Calculation Agent is unable to select an Alternative Reference Entity or an Alternative Reference Obligation as aforesaid, then: (i) no Successor shall be appointed; (ii) the Affected Reference Entity to which the relevant succession relates shall be deemed to have ceased to be a Reference Entity; (iii) that portion of any interest or, in the case of Zero Coupon Notes, the Final Redemption Amount payable which is referable to the purchase of credit protection purchased by the Issuer under the Notes in respect of the Affected Reference Entity shall be reduced accordingly as determined by the Calculation Agent in its sole and absolute discretion; and (iv) the Calculation Agent may make such adjustments to the Note Conditions, these Credit Linked Conditions and/or the applicable Final Terms to account for the Successor Associated Costs, which may include, without limitation, reducing the Final Redemption Amount and/or the Credit Event Redemption Amount by an amount equal to the Successor Associated Costs, in each case with effect from the date determined by the Calculation Agent to be the relevant Succession Date.

Where:

“**Alternative Reference Entity**” means an entity which satisfies both the Industry Requirement and the Spread Requirement as determined by the Calculation Agent in its sole and absolute discretion;

“**Alternative Reference Obligation**” means any obligation of the Alternative Reference Entity selected by the Calculation Agent in its sole and absolute discretion which, as far as practicable, in the determination of the Calculation Agent is substantially similar in economic terms to the relevant Reference Obligation of the relevant Affected Reference Entity. An Alternative Reference Obligation may or may not be the applicable Standard Reference Obligation for the Alternative Reference Entity;

“**Industry Requirement**” means an entity that is in the same industry group specified by Moody’s Investor Service, Inc. or any successor to the rating business thereof or Standard & Poor’s Rating Services, a division of The McGraw-Hill Companies, Inc. or any successor to the rating business thereof as the relevant Affected Reference Entity, as determined by the Calculation Agent in its sole and absolute discretion;

“**Spread**” means the bid-side quotation obtained by the Calculation Agent from such leading dealer in the credit default swap market selected by the Calculation Agent in its sole and absolute discretion for a credit default swap in respect of the relevant entity with a credit protection period commencing on the date determined by the Calculation Agent to be the relevant Succession Date and ending on the Scheduled Maturity Date and with the Reference Obligation(s) specified in the applicable Final Terms;

“**Spread Requirement**” means an entity that, as at the date of selection, has a Spread not greater than the product of (a) the Spread Percentage Requirement specified in the applicable Final Terms and (b) the Spread of the relevant Affected Reference Entity, immediately prior to the relevant Succession Date as determined by the Calculation Agent in its sole and absolute discretion; and

“**Successor Associated Costs**” means an amount per nominal amount of Notes equal to the Calculation Amount (which may not be less than zero) equal to such Note’s *pro rata* share of the total amount of any and all costs and losses associated with or incurred by the Issuer and/or any Affiliate in connection with the Affected Reference Entity ceasing to be a Reference Entity, including, without limitation, any costs and losses associated with or incurred by the Issuer and/or any Affiliate in connection with unwinding, substituting, re-establishing and/or incurring any funding relating to the Notes and/or any hedge positions (including without limitation, any derivative transaction) relating to the Notes, and any related costs due to costs or losses being incurred prior to the maturity of the Notes, all as determined by the Calculation Agent in its sole and absolute discretion.

“**Successor Backstop Date**” means for purposes of any Successor determination determined by DC Resolution, the date that is ninety calendar days prior to the Successor Resolution Request Date otherwise, the date that is ninety calendar days prior to the earlier of (i) the date on which the Successor Notice is effective and (ii) in circumstances where (A) a Successor Resolution Request Date has occurred, (B) the relevant Credit Derivatives Determinations Committee has Resolved not to make a Successor determination and (C) the Successor Notice is delivered not more than fourteen calendar days after the day on which the DC Secretary publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved not to make a Successor determination, the Successor Resolution Request Date. The Successor Backstop Date shall not be subject to adjustment in accordance with any Credit Linked Business Day Convention.

“**Successor Notice**” means a notice from the Calculation Agent to the Issuer that describes a succession (or, in relation to a Reference Entity that is a Sovereign, a Sovereign Succession Event) in respect of which a Succession Date has occurred and pursuant to which one or more Successors to the Reference Entity can be determined.

A Successor Notice must contain a description in reasonable detail of the facts relevant to the determination to be made pursuant to paragraph (a) of the definition of Successor above.

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

“**Trade Date**” means the date specified as such in the applicable Final Terms.

“**Transaction Auction Settlement Terms**” means the Credit Derivatives Auction Settlement Terms selected by the Calculation Agent in accordance with this provision. In relation to a Credit Event (and as set out in the definition of Credit Derivatives Auction Settlement Terms), ISDA may publish one or more form(s) of Credit Derivatives Auction Settlement Terms on its website at www.isda.org (or any successor website thereto) and may amend such forms from time to time. Each such form of Credit Derivatives Auction Settlement Terms shall set out, *inter alia*, definitions of “Auction”, “Auction Cancellation Date”, “Auction Covered Transaction” and “Auction Final Price Determination Date” in relation to the relevant Credit Event. The Transaction Auction Settlement Terms for purposes of the Notes shall be the relevant form of Credit Derivatives Auction Settlement Terms for which the Reference Transaction would be an Auction Covered Transaction (as such term will be set out in the relevant Credit Derivatives Auction Settlement Terms). The Reference Transaction (as set out in the definition thereof) is a hypothetical credit derivative transaction included in these Credit Linked

Conditions principally for the purpose of selecting the Credit Derivatives Auction Settlement Terms appropriate to the Notes.

“**Transaction Type**” means, in respect of a Reference Entity, the Transaction Type specified in respect of such Reference Entity in the applicable Final Terms.

“**Undeliverable Obligation**” means a Deliverable Obligation included in the Entitlement which, on the Credit Settlement Date for such Deliverable Obligation, the Calculation Agent determines for any reason (including without limitation, failure of the relevant clearance system or due to any law, regulation, court order, contractual restrictions, statutory restrictions or market conditions but excluding the non-receipt of any requisite consents with respect to the Delivery of Loans or non-delivery of an Asset Transfer Notice or any information by a Noteholder) it is impossible or illegal to Deliver on the Credit Settlement Date.

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

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

“**Unwind Costs**” means the amount specified in the applicable Final Terms or if “Standard Unwind Costs” are specified in the applicable Final Terms, an amount determined by the Calculation Agent equal to the sum of (without duplication) all costs (including loss of funding), fees, charges, expenses, tax and duties incurred by the Issuer and/or any of its Affiliates in connection with the redemption of the Notes and the related termination, settlement or re-establishment of any Hedging Arrangements, such amount to be apportioned *pro rata* amongst each of the Notes.

“**Valuation Date**” means, subject to Credit Linked Condition 10:

- (a) where Physical Delivery is specified as applying in the applicable Final Terms, the day falling two Business Days after the Final Delivery Date or such other earlier date determined by the Calculation Agent by reference to the Hedging Arrangements (if any), or, otherwise;
- (b) (i) if “Single Valuation Date” is specified in the applicable Final Terms and subject to Credit Linked Condition 10, the date that is the number of Business Days specified in the applicable Final Terms (or, if the number of Business Days is not so specified, five Business Days) following the Credit Event Determination Date (or if the Credit Event Determination Date occurs pursuant to paragraph (a)(ii) of the definition of Credit Event Determination Date above or paragraph (b)(i) of the definition of Non-Standard Credit Event Determination Date, the day on which the DC Credit Event Announcement occurs) (or, if “Cash Settlement” is applicable pursuant to the Fallback Settlement Method in accordance with paragraphs (i) or (ii) of Credit Linked Condition 2 above, the date that is the number of Business Days specified in the applicable Final Terms (or, if the number of Business Days is not so specified, five Business Days) following the Auction Cancellation Date, if any, or the relevant No Auction Announcement Date, if any, as applicable); and
 - (ii) if “Multiple Valuation Dates” is specified in the applicable Final Terms, each of the following dates:
 - (A) subject to Credit Linked Condition 10, the date that is the number of Business Days specified in the applicable Final Terms (or, if the number of Business Days is not so specified, five Business Days) following the Credit Event Determination Date (or if the Credit Event Determination Date occurs pursuant to paragraph (a)(ii) of the definition of Credit Event Determination Date above or paragraph (b)(i) of the definition of Non-Standard Credit Event Determination Date, the day on which the DC Credit Event Announcement occurs) (or if Cash Settlement is the applicable Fallback Settlement Method in accordance with paragraphs (i) or

(ii) of Credit Linked Condition 2 above, the date that is the number of Business Days specified in the applicable Final Terms (or, if the number of Business Days is not so specified, five Business Days) following the Auction Cancellation Date, if any, or the relevant No Auction Announcement Date, if any, as applicable); and

- (B) each successive date that is the number of Business Days specified in the applicable Final Terms (or, if the number of Business Days is not so specified, five Business Days) after the date on which the Calculation Agent obtains a Market Value with respect to the immediately preceding Valuation Date.

When “Multiple Valuation Dates” is specified in the applicable Final Terms, the total number of Valuation Dates shall be equal to the number of Valuation Dates specified in the applicable Final Terms (or, if the number of Valuation Dates is not so specified, five Valuation Dates).

If neither Single Valuation Date nor Multiple Valuation Dates is specified in the applicable Final Terms, Single Valuation Date shall apply.

“Valuation Method”:

- (a) The following Valuation Methods may be specified in the applicable Final Terms with only one Valuation Date:

- (i) **“Market”** means the Market Value determined by the Calculation Agent with respect to the Valuation Date;
- (ii) **“Highest”** means the highest Quotation obtained by the Calculation Agent with respect to the Valuation Date; or
- (iii) **“Weighted Highest”** means the weighted arithmetic mean of the highest Quotations obtained for each relevant Valuation Obligation provided that if “Weighted Highest” is specified in the applicable Final Terms and only one Valuation Obligation is selected by the Calculation Agent pursuant to Credit Linked Condition 3 for the purposes of valuation, the relevant Valuation Method shall be deemed to be “Highest”.

If no such Valuation Method is specified in the applicable Final Terms, the Valuation Method shall be Highest.

- (b) The following Valuation Methods may be specified in the applicable Final Terms with more than one Valuation Date:

- (i) **“Average Market”** means the unweighted arithmetic mean of the Market Values determined by the Calculation Agent with respect to each Valuation Date; or
- (ii) **“Highest”** means the highest Quotation obtained by the Calculation Agent with respect to any Valuation Date; or
- (iii) **“Average Highest”** means the unweighted arithmetic mean of the highest Quotations obtained by the Calculation Agent with respect to each Valuation Date.

If no such Valuation Method is specified in the applicable Final Terms, the Valuation Method shall be Average Highest.

- (c) Notwithstanding paragraphs (a) and (b) above, if Quotations include Weighted Average Quotations or fewer than two Full Quotations, the Valuation Method shall be Market or Average Market, as the case may be.
- (d) Where applicable, the applicable Final Terms may specify an alternative Valuation Method which shall be applicable in respect of the relevant Notes.

“**Valuation Time**” means the time specified as such in the applicable Final Terms or, if no such time is specified, 11.00 a.m. in the principal trading market for the Reference Obligation.

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

13. **Credit Event Notice after Restructuring Credit Event**

If this Credit Linked Condition 13 is specified as applicable in the applicable Final Terms, then, notwithstanding anything to the contrary in these Credit Linked Conditions, upon the occurrence of an M(M)R Restructuring:

- (i) The Calculation Agent may deliver multiple Credit Event Notices in respect of such M(M)R Restructuring, each such Credit Event Notice setting forth an amount (the “**Partial Redemption Amount**”) that may be less than the principal amount outstanding of each Note immediately prior to the delivery of such Credit Event Notice. In such circumstances the Credit Linked Conditions and related provisions shall be deemed to apply to the Partial Redemption Amount only and each such Note shall be redeemed in part (such redeemed part being equal to the Partial Redemption Amount).
- (ii) For the avoidance of doubt (A) the principal amount of each such Note not so redeemed in part shall remain outstanding and interest shall accrue on the principal amount outstanding of such Note as provided in Note Condition 4 (adjusted in such manner as the Calculation Agent determines to be appropriate), (B) the Credit Linked Conditions and related provisions shall apply to such principal amount outstanding of such Note in the event that subsequent Credit Event Notices are delivered in respect of the Reference Entity that was the subject of the Restructuring Credit Event and (C) if, following a Restructuring Credit Event, different Credit Event Determination Dates have been determined with respect to different portions of amounts payable or deliverable to Noteholders under the relevant Series, the Calculation Agent will (x) determine such adjustment(s) to the Note Conditions and/or these Credit Linked Conditions as may be required to achieve as far as practicable the same economic effect as if each such portion was a separate series or otherwise reflect or account for the effect of the above provisions of this Credit Linked Condition 13(a) and (y) the effective date of such adjustment(s).
- (iii) If the provisions of this Credit Linked Condition 13(a) apply in respect of the Notes, on redemption of part of each such Note the relevant Note or, if the Notes are represented by a Global Bearer Note or Global Certificate, such Global Bearer Note or Global Certificate, as the case may be, shall be endorsed to reflect such part redemption.

14. **Provisions relating to Multiple Holder Obligation**

Unless this Credit Linked Condition 14 is specified as not applicable in the applicable Final Terms, then, notwithstanding anything to the contrary in the definition of Restructuring and related provisions, the occurrence of, agreement to, or announcement of, any of the events described in sub-paragraphs (i) to (v) of the definition of “Restructuring” shall not be a Restructuring unless the Obligation in respect of any such events is a Multiple Holder Obligation.

“**Multiple Holder Obligation**” means an Obligation that (i) at the time of the event which constitutes a Restructuring Credit Event is held by more than three holders that are not Affiliates of each other and (ii) (A) is a Bond and/or (B) is an Obligation with respect to which a percentage of holders (determined pursuant to the terms of the Obligation as in effect on the date of such event) at least equal to sixty-six and two-thirds is required to consent to the event which constitutes a Restructuring Credit Event.

15. **Provisions taken from the ISDA supplement titled “Additional Provisions for Physically Settled Default Swaps– Monoline Insurer as Reference Entity” (September 2014)**

If this Credit Linked Condition 15 is specified as applicable in the applicable Final Terms, the following provisions will apply:

- (a) **Obligation and Deliverable Obligation.** Paragraph (a) of the definition of “Obligation” in Credit Linked Condition 13 and paragraph (a) of the definition of “Deliverable Obligation” in Credit Linked Condition 12 are hereby amended by adding “or Qualifying Policy” after “as provider of a Relevant Guarantee”.
- (b) **Interpretation of Provisions.** In the event that an Obligation or a Deliverable Obligation is a Qualifying Policy, paragraph (B) of the definition of “Deliverable Obligation” in Credit Linked Condition 12 will apply, with references to the Relevant 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 “maturity”, as such term is used in the Maximum Maturity Deliverable Obligation Characteristic, shall mean the
 - (vi) specified date by which the Qualifying Policy guarantees or insures, as applicable, that the ultimate distribution of the Certificate Balance will occur; and
 - (vii) with respect to a Qualifying Policy and an Insured Instrument, only the Qualifying Policy must satisfy on the relevant date or dates the “Not Subordinated” Obligation Characteristic or Deliverable Obligation Characteristic, if applicable.
- (c) **Outstanding Principal Balance.** References in paragraph (a) of the definition of “Outstanding Principal Balance” in Credit Linked Condition 12 to a Guarantee, the Underlying Obligation and the Underlying Obligor shall be deemed to include a Qualifying Policy, the Insured Instrument and the Insured Obligor respectively. Any provisions of an Insured Instrument 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 Instruments shall be disregarded for the purposes of limb (ii) of paragraph (b) of the definition of “Outstanding Principal Balance” 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.

- (d) **Deliver.** For the purposes of the definition of “Deliver” in Credit Linked Condition 12, “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.
- (e) **Provisions for Determining a Successor.** Paragraph (a), the paragraph commencing “If two or more entities...” and the paragraph commencing “For the purposes of this definition of “Successor”...”, in each case in the definition of “Successor” in Credit Linked Condition 12 are hereby amended by adding “or Qualifying Policy” after each occurrence of “a Relevant Guarantee”. Such paragraph commencing “If two or more entities...” will be further amended by adding “or provider of a Qualifying Policy” after “as guarantor or guarantors”.
- (f) **Original Non-Standard Reference Obligation, Substitute Reference Obligation and Substitution Event.** The definition of “Original Non-Standard Reference Obligation”, paragraph (c)(i) of the definition of “Substitute Reference Obligation” and paragraph (b)(ii) of “Substitution Event” are hereby amended by adding “or Qualifying Policy” after “a guarantee”.
- (g) **Restructuring**
- (i) 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) inclusive of the definition of “Restructuring” in Credit Linked Condition 12 are hereby amended to read as follows:
- “(i) a reduction in the rate or amount of the Instrument Payments in paragraph (A)(x) of the definition thereof that are guaranteed or insured by the Qualifying Policy (including by way of redenomination);
- (ii) a reduction in the amount of the Instrument Payments described in paragraph (A)(y) of the definition thereof that are guaranteed or insured by the Qualifying Policy (including by way of redenomination);
- (iii) a postponement or other deferral of a date or dates for either (x) the payment or accrual of the Instrument Payments described in paragraph (A)(x) of the definition thereof or (y) the payment of the Instrument Payments described in paragraph (A)(y) of the definition thereof, in each case that are guaranteed or insured by the Qualifying Policy;
- (iv) a change in the ranking in priority of payment of (x) any Obligation under a Qualifying Policy in respect of Instrument Payments, causing the Subordination of such Obligation to any other Obligation or (y) 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 of any payment of Instrument Payments that are guaranteed or insured by the Qualifying Policy to any currency other than the lawful currency of Canada, Japan, Switzerland, the United Kingdom, the United States of America and the euro and any successor currency to any of the aforementioned currencies (which in the case of the euro, shall mean the currency which succeeds to and replaces the euro as a whole).”
- (ii) Paragraph (d) of the definition of “Restructuring” in Credit Linked Condition 12 is hereby amended by adding “or, in the case of a 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” at the end thereof.

- (iii) The definition of “Restructuring” in Credit Linked Condition 12 is hereby amended by the insertion of the following paragraph after the final paragraph thereof:

“For purposes of this definition of “Restructuring” and, if Credit Linked Condition 14 is specified as applying in the applicable Final Terms, for the purposes of Credit Linked Condition 14, 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 this definition of “Restructuring” shall be deemed to refer to the Insured Obligor with the exception of the references to the Reference Entity in paragraph (d) inclusive in this definition of “Restructuring” which shall continue to refer to the Reference Entity.”

- (h) **Fully Transferable Obligation and Conditionally Transferable Obligation.** In the event that “M(M)R Restructuring” applies and a Fully Transferable Obligation or Conditionally Transferable Obligation is a Qualifying Policy, the Insured Instrument must meet the requirements of the relevant definition. 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 Condition 4 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.
- (i) **Other Provisions.** For purposes of the definitions of “Credit Event”, “Deliver” and “Prohibited Action” in Credit Linked Condition 12 references to the “Underlying Obligation” and the “Underlying Obligor” shall be deemed to include “Insured Instruments” and the “Insured Obligor”, respectively.
- (j) **Additional Definitions.**

“**Qualifying Policy**” means a financial guaranty insurance policy or similar financial guarantee pursuant to which a Reference Entity irrevocably guarantees or insures all Instrument Payments of an instrument that constitutes Borrowed Money (modified as set forth in these Credit Linked Conditions) (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).

“**Instrument Payments**” means (A) in the case of any Insured Instrument that is in the form of a pass-through certificate or similar funded beneficial interest, (x) the specified periodic distributions in respect of interest or other return on the Certificate Balance on or prior to the ultimate distribution of the Certificate Balance and (y) the ultimate distribution of the Certificate Balance on or prior to a specified date and (B) in the case of any other Insured Instrument, the scheduled payments of principal and interest, in the case of both (A) and (B) (1) determined without regard to limited recourse or reduction provisions of the type described in paragraph (c) above and (2) excluding sums in respect of default interest, indemnities, tax gross-ups, make-whole amounts, early redemption premiums and other similar amounts (whether or not guaranteed or insured by the Qualifying Policy).

“**Certificate Balance**” means, in the case of an Insured Instrument that is in the form of a pass through certificate or similar funded beneficial interest, the unit principal balance, certificate balance or similar measure of unreimbursed principal investment.

16. Determinations, Timings and Notices

(a) Determinations

The determination by the Calculation Agent of any amount or of any state of affairs, circumstance, event or other matter, or the formation of any opinion or the exercise of any discretion required or permitted to be determined, formed or exercised by the Calculation Agent pursuant to the Notes shall (in the absence of manifest error) be final, conclusive and binding on the Issuer and the Noteholders and shall be without liability on the part of the Calculation Agent and without the Calculation Agent being obliged to consider the interests of the Issuer or the Noteholders. Whenever the Calculation Agent is required to make any determination it may, *inter alia*, decide issues of construction and legal interpretation. Unless otherwise provided herein, in performing its duties pursuant to the Notes, the Calculation Agent shall act in its sole and absolute discretion. Any delay, deferral or forbearance by the Calculation Agent in the performance or exercise of any of its obligations or discretions under the Notes including, without limitation, the giving of any notice by it to any person, shall not affect the validity or binding nature of any later performance or exercise of such obligation or discretion, and neither the Calculation Agent nor the Issuer shall, in the absence of wilful misconduct and gross negligence, bear any liability in respect of, or consequent upon, any such delay, deferral or forbearance.

(b) Timings

The Calculation Agent will determine the day on which an event occurs for purposes of these Credit Linked Conditions on the basis that the demarcation of days shall be made by reference to Greenwich Mean Time (or, if the Reference Entity has a material connection to Japan for these purposes, Tokyo time), irrespective of the time zone in which such event occurred. Any event occurring at midnight shall be deemed to have occurred immediately prior to midnight.

In addition, if a payment is not made by the Reference Entity on its due date or, as the case may be, on the final day of the relevant Grace Period, then such failure to make a payment shall be deemed to have occurred on such day prior to midnight Greenwich Mean Time (or, if the Reference Entity has a material connection to Japan for these purposes, Tokyo time), irrespective of the time zone of its place of payment.

(c) Notices

Any notice to be delivered by the Calculation Agent to the Issuer pursuant to these Credit Linked Conditions may be given in writing (including by facsimile and/or email) and/or by telephone and will be effective when given. If the notice is delivered by telephone, a written confirmation will be executed and delivered confirming the substance of that notice within one Calculation Agent City Business Day of that notice. Failure to provide that written confirmation will not affect the effectiveness of that telephonic notice.

17. Provisions taken from the ISDA supplement titled “Additional Provisions for LPN Reference Entities” (published on 15 September 2014)

If this Credit Linked Condition 17 is specified as applicable in the applicable Final Terms, notwithstanding anything to the contrary in the Credit Linked Conditions, the following provisions will apply:

- (a) provisions relating to Multiple Holder Obligation will be deemed to be Not Applicable with respect to any Reference Obligation (and any Underlying Loan);
- (b) each Reference Obligation will be an Obligation, notwithstanding anything to the contrary in the Credit Linked Conditions including, but not limited to, the definition of “Obligation” in Credit Linked Condition 12, and in particular, notwithstanding that the obligation is not an obligation of the Reference Entity;
- (c) each Reference Obligation will be a Deliverable Obligation notwithstanding anything to the contrary in the Credit Linked Conditions including, but not limited to, the definition of

“Deliverable Obligation” in Credit Linked Condition 12 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 by reference to the Prior Reference Obligation;

(d) the definition of Reference Obligation shall be deleted and the following substituted therefor:

“**Reference Obligation**” means 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, as of the Trade Date (which list is, as of July 21, 2023, available at <https://ihsmarkit.com/products/red-cds.html>), any Additional LPN and each Additional Obligation. Each Reference Obligation determined in accordance with the foregoing will be a Reference Obligation notwithstanding anything to the contrary in the Credit Linked Conditions, and in particular, notwithstanding that the obligation is not an obligation of the Reference Entity. The Standard Reference Obligation shall not apply.

It is intended that there may be more than one Reference Obligation, as a result of which all applicable references in the Credit Linked Conditions to “the Reference Obligation” shall be construed as a reference to “a Reference Obligation”, and all other provisions of the Credit Linked Conditions shall be construed accordingly. No Substitution Event may occur and no Substitute Reference Obligation may be determined in respect of an LPN Reference Obligation and the definitions of Substitution Event and Substitute Reference Obligation in this Credit Linked Condition 12 shall be construed accordingly.”;

(e) the definition of Original Non-Standard Reference Obligation shall be deleted and the following substituted therefor:

“**Original Non-Standard Reference Obligation**” means the obligation of the Reference Entity (either directly or as provider of a guarantee) which is specified as the Reference Obligation in respect of such Reference Entity in the applicable Final Terms (if any is so specified).”

(f) the following additional definitions shall apply:

“**Additional LPN**” means any bond issued in the form of a loan participation note (a “**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 (x) 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 (y) 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, Credit Linked Specified Currency – Standard Specified Currencies, Not Domestic Law, Not Domestic Issuance; and (iii) the LPN Issuer has, as of the issue date of such obligation, granted a First Ranking Interest over or in respect of certain of its rights in relation to the relevant Underlying Loan or Underlying Finance Instrument (as applicable) for the benefit of the holders of the LPNs.

“**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 (each a “**Markit Published LPN Reference**”

Obligation”), as published by Markit Group Limited, or any successor thereto, as of the Trade Date (which list is, as of July 21, 2023, available at <https://ihsmarkit.com/products/red-cds.html>).

“**First Ranking Interest**” means a charge, security interest (or other type of interest having similar effect) (an “**Interest**”), which is expressed as being “first ranking”, “first priority”, or similar (“**First Ranking**”) in the document creating such Interest (notwithstanding that such Interest may not be First Ranking under any insolvency laws of any related insolvency jurisdiction of the LPN Issuer).

“**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 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 the Credit Linked Conditions each such loan shall be an Underlying Loan.

18. Amendment of Credit Linked Conditions in accordance with Market Convention

The Calculation Agent may from time to time amend any provision of these Credit Linked Conditions and the applicable Final Terms in any manner which the Calculation Agent determines in a commercially reasonable manner is necessary or desirable (i) to incorporate and/or reflect (x) further or alternative documents or protocols from time to time published by ISDA with respect to the documentation, trading or settlement of credit derivative transactions and/or (y) the operation or application of determinations by the Credit Derivatives Determinations Committees and/or (ii) to reflect or account for market practice for credit derivative transactions and/or reflect the Hedging Arrangements of the Issuer or any of its Affiliates. Any amendment made in accordance with this Credit Linked Condition 18 shall be notified to the Noteholders in accordance with Note Condition 14.

19. Early redemption of Reference Obligation Only Notes following a Substitution Event

If the Notes are Reference Obligation Only Notes relating to a single Reference Entity and the event set out in paragraph (a) of the definition of Substitution Event above occurs with respect to the Reference Obligation, then:

- (i) interest (if any) shall cease to accrue on the Credit Linked Notes from and including the Interest Payment Date immediately preceding the relevant Substitution Event Date or, if no Interest Payment Date has occurred, no interest will accrue on the Credit Linked Notes; and
- (ii) each nominal amount of Credit Linked Notes equal to the Calculation Amount will be redeemed by the Issuer at its relevant Reference Obligation Only Termination Amount specified in, or determined in the manner specified in, the applicable Final Terms in the Specified Currency on the Maturity Date, which for the purposes of this Credit Linked Condition 19 shall be the day falling five Business Days following the relevant Substitution Event Date.

20. DC Resolution Adjustment Events

If following the publication of a DC Resolution (the “**Prior DC Resolution**”), a further DC Resolution (the relevant “**Further DC Resolution**”) is published the effect of which would be to reverse all or part of the Prior DC Resolution or if any DC Resolution would reverse any determination made by the Calculation Agent and/or the occurrence of a Credit Event Determination Date, notwithstanding any other provisions of these Credit Linked Conditions the Calculation Agent may, in its sole and absolute discretion, make any adjustment(s) that the Calculation Agent determines is necessary or desirable to the Note Conditions or these Credit Linked Conditions to reflect the publication of such Further DC Resolution or DC Resolution, including, without limitation, as a result of the impact or effect of such Further DC Resolution or DC Resolution on the Hedging Arrangements.

21. Hedging Disruption

(a) Hedging Disruption Adjustment

In the event that:

- (i) the Issuer and/or any of its Affiliates or agents is unable, after using commercially reasonable efforts, to:
 - (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of the Issuer issuing and performing its obligations with respect to the Notes, or
 - (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s);
- (ii) the Reference Obligation no longer exists or other circumstances exist as described in paragraphs (a) or (b) of the definition of Substitution Event and no Substitute Reference Obligation is determined (which the Calculation Agent may determine not to do in its sole discretion);
- (iii) the existing Hedging Arrangements of the Issuer or any Affiliate, or the ability of the Issuer or any Affiliate to enter into new Hedging Arrangements, are affected by any change in any standard terms used in any relevant market (such standard terms including, without limitation, any version of the ISDA Credit Derivative Definitions, any supplements thereto or any other terms or documentation that may be published by ISDA from time to time, and such a change including, without limitation, any amendment to or reinterpretation of any standard terms or the publication or introduction of new standard terms) or in market practice in any relevant market, or
- (iv) the Issuer and/or any of its Affiliates or agents acting on its behalf 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) or cost of capital or capital to be set aside to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of the Issuer issuing and performing its obligations with respect to the Notes, or (B) realize, recover or remit the proceeds of any such transaction(s) or asset(s); unless any such materially increased amount is incurred solely due to the deterioration of the creditworthiness of the Issuer and/or any of its Affiliates or agents,

(each of the events described in paragraphs (i) to (iii) above, a “**Hedging Adjustment Event**”) the Issuer may make such adjustment to the Conditions of the Notes (including, for the avoidance of doubt, these Credit Linked Conditions) as the Issuer determines is appropriate to account for such Hedging Adjustment Event and determine the effective date of that adjustment. Any adjustment made in accordance with this Credit Linked Condition 21 shall be notified to the Noteholders in accordance with Note Condition 14.

(b) Hedging Disruption Termination

Notwithstanding the provisions of Credit Linked Condition 21(a) above, if the Issuer determines that no adjustment that it could make under Credit Linked Condition 21(a) above would be sufficient (in the Issuer’s opinion) to reflect the occurrence of the relevant Hedging Adjustment Event, the Issuer may redeem all but not some only of the Notes as of such date as the Issuer shall determine by notice given to the Noteholders in accordance with Note Condition 14, each nominal amount of Notes equal to the Calculation Amount being redeemed at the Early Redemption Amount. Interest (if any) will cease to accrue on the Credit Linked Notes from (and including) the Interest Payment Date immediately preceding the due date for redemption or, if no Interest Payment Date has occurred, no interest will accrue on the Credit Linked Notes.

22. Physical Settlement Matrix

(a) Applicability of the provisions of the ISDA Physical Settlement Matrix

If Physical Settlement Matrix is specified as applicable in the applicable Final Terms, each item in the Final Terms in respect of which “See Physical Settlement Matrix” is specified shall, in respect of a Reference Entity, be construed to have the meaning given to it for the relevant Transaction Type in the ISDA Physical Settlement Matrix (as defined in Credit Linked Condition 12 above) but in each case (if relevant) as such provisions of the ISDA Physical Settlement Matrix are amended in accordance with paragraph (b) of this Credit Linked Condition 22.

For the avoidance of doubt, none of the other provisions of the relevant Physical Settlement Matrix shall be relevant in determining the terms of the Notes.

(b) Amendments to the provisions of the ISDA Physical Settlement Matrix

To the extent applicable in accordance with paragraph (a) above, the following provisions of the relevant ISDA Physical Settlement Matrix shall be amended as follows:

Provision	Amendment
Credit Events	References to “Floating Rate Payer Calculation Amount” shall be deemed to be references to “Calculation Amount”.
Obligation Characteristics/Deliverable Obligation Characteristics	References to “Specified Currency” shall be deemed to be references to “Credit Linked Specified Currency”.
Physical Settlement Period	References to “Section 8.19 of the Definitions” shall be deemed to be references to “the definition of Physical Settlement Period in Credit Linked Condition 12”.
Monoline Supplement	References to “Monoline Supplement” shall be deemed to be references to Credit Linked Condition 15 “Provisions taken from the ISDA supplement titled “Additional Provisions for Physically Settled Default Swaps – Monoline Insurer as Reference Entity””. The reference to “the relevant Confirmation” shall be deemed to be a reference to “the applicable Final Terms”.
LPN Additional Provisions	References to “LPN Additional Provisions” shall be deemed to be references to Credit Linked Condition 17 “Provisions taken from the ISDA supplement titled “Additional Provisions for LPN Reference Entities””.
CoCo Supplement	References to “2014 CoCo Supplement to the 2014 ISDA Credit Derivatives Definitions (September 15, 2014)” shall be deemed to be references to Credit Linked Condition 23 “Provisions taken from the 2014 CoCo Supplement to the 2014 ISDA Credit Derivatives Definitions (published on September 15, 2014)”

23. Provisions taken from the 2014 CoCo Supplement to the 2014 ISDA Credit Derivatives Definitions (published on September 15, 2014)

If this Credit Linked Condition 23 is specified as applicable in the applicable Final Terms in respect of the Reference Entity, notwithstanding anything to the contrary in the Credit Linked Conditions, the following provisions will apply to the Reference Entity:

- (a) If, with respect to one or more Obligations and in relation to an aggregate amount of not less than the Default Requirement, the operation of one or more CoCo Provisions results in (i) a permanent or temporary reduction of the amount of principal payable at redemption or (ii) a conversion of principal into shares or another instrument, such event shall be deemed to constitute a Governmental Intervention as defined in Credit Linked Condition 12.
- (b) A CoCo Provision shall be deemed to be a provision which permits a Governmental Intervention for all purposes under the Credit Linked Conditions.
- (c) The following terms shall have the following meanings:

“**Coco Provision**” means, with respect to an Obligation, a provision which requires (i) a permanent or temporary reduction of the amount of principal payable at redemption or

(ii) a conversion of principal into shares or another instrument, in each case, if the Capital Ratio is at or below the Trigger Percentage.

“**Trigger Percentage**” means the trigger percentage specified in respect of the Reference Entity (or if no such trigger percentage is specified, 5.25 per cent.).

“**Capital Ratio**” means the ratio of capital to risk weighted assets applicable to the Obligation, as described in the terms thereof in effect from time to time.

24. Interest Accrual

Note Condition 4(i) shall be deleted and the following substituted therefor:

“(i)Interest Accrual:

Subject as provided in the Credit Linked Conditions, interest will cease to accrue on each such Note (or in the case of partial redemption of a Note, that part only of such Note) on the due date for redemption unless, upon due presentation, payment of principal is improperly withheld or refused, in which event interest will continue to accrue (as well after as before judgment) until whichever is the earlier of:

- (i) the date on which all amounts due in respect of such Note have been paid and/or all assets deliverable in respect of such Note have been delivered; and
- (ii) five days after the date on which full payment of the moneys payable in respect of such Note has been received by the Fiscal Agent,

Provided That if:

(x) “Accrual of Interest upon Credit Event” is specified as Not Applicable in the applicable Final Terms, each Note shall cease to bear interest from the Interest Payment Date immediately preceding the Credit Event Determination Date, or if the Credit Event Determination Date is an Interest Payment Date such Interest Payment Date or, if the Credit Event Determination Date falls prior to the first Interest Payment Date, no interest shall accrue on the Notes; or

(y) “Accrual of Interest upon Credit Event” is specified as being Applicable in the applicable Final Terms, each Note shall cease to bear interest from the Credit Event Determination Date; and

Provided Further That, if

(a) Credit Linked Condition 5, Credit Linked Condition 6 or Credit Linked Condition 7 applies in respect of the Notes and, in the case of Credit Linked Condition 5, a Repudiation/Moratorium has not occurred on or prior to the Repudiation/Moratorium Evaluation Date or, in the case of Credit Linked Condition 6, a Failure to Pay has not occurred on or prior to the Grace Period Extension Date or, in the case of Credit Linked Condition 7, a Credit Event has not occurred on or prior to the DC Determination Cut-off Date; and/or

(b) Credit Linked Condition 8 applies in respect of the Notes and, as applicable:

(1) a Credit Event Determination Date has not occurred; or

(2) the Repudiation/Moratorium Extension Condition is not satisfied, in each case, on or prior to the Postponed Cut-Off Date,

then interest will accrue as provided in Credit Linked Condition 5, Credit Linked Condition 6, Credit Linked Condition 7 or Credit Linked Condition 8, as the case may be.”.

25. Nth-to-Default Credit Linked Notes

In the case of Credit Linked Notes for which Nth-to-Default Credit Linked Notes is specified as applicable in the applicable Final Terms (“**Nth-to-Default Credit Linked Notes**”) the provisions of this Condition 25 shall apply.

If a Credit Event Determination Date has occurred in relation to one or more of the specified Reference Entities, notwithstanding any provision to the contrary in these Credit Linked Conditions, no settlement in accordance with Credit Linked Condition 2, Credit Linked Condition 3 or Credit Linked Condition 4, as applicable, will occur until such time as a Credit Event Determination Date has occurred in respect of the Relevant Number of Reference Entities (a “**Trigger**”). The Reference Entity in respect of which a Credit Event Determination Date has occurred which causes the Trigger to occur is referred to as the “**Triggering Reference Entity**” and the “**Relevant Number**” is the number specified as such in the applicable Final Terms. As of the day on which the Calculation Agent determines that a Credit Event Determination Date has occurred in respect of the Relevant Number of Reference Entities then Credit Linked Condition 2, Credit Linked Condition 3 or Credit Linked Condition 4, as applicable, shall apply in relation only to the Triggering Reference Entity.

If a Credit Event Determination Date occurs with respect to more than one Reference Entity on the same day, the Calculation Agent shall determine in its sole discretion the order in which such Credit Event Determination Dates occur.

Once a Credit Event Determination Date has occurred in respect of the Triggering Reference Entity, where the Credit Event is a Restructuring Credit Event, no further Credit Event Notices may be delivered in respect of any other Reference Entity.

For the avoidance of doubt the provisions of Credit Linked Conditions 5, 6, 7 and 8 will each apply to Nth-to-Default Credit Linked Notes meaning that the Maturity Date may be delayed beyond the Scheduled Maturity Date in certain circumstances.

26. Provisions taken from the ISDA supplement titled "2019 NTCE Supplement to the 2014 ISDA Credit Derivatives Definitions (July 15, 2019)"

If this Condition 26 is specified as applicable in the applicable Final Terms, notwithstanding anything to the contrary in these Credit Linked Conditions, the following provisions will apply:

- (i) The definition of Outstanding Principal Balance in Condition 12 shall be deleted in its entirety and replaced with the following:

“**Outstanding Principal Balance**” means the outstanding principal balance of an obligation which will be calculated as follows:

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

in each case, determined:

- (i) unless otherwise specified, in accordance with the terms of the obligation in effect on either (A) such date as the Calculation Agent determines appropriate taking into account the Hedging Arrangements, or (B) the relevant Valuation Date; and
- (ii) with respect to the Quantum of the Claim only, in accordance with any applicable laws (insofar as such laws reduce or discount the size of the claim to reflect the original issue price or accrued value of the obligation).

For the purposes of paragraph (ii) above, “**applicable laws**” shall include any bankruptcy or insolvency law or other law affecting creditors’ rights to which the relevant obligation is, or may become, subject.

If “**Fallback Discounting**” is specified as applicable in the applicable Final Terms, then notwithstanding the above, if (i) the Outstanding Principal Balance of an obligation is not reduced or discounted under paragraph (ii) above, (ii) that obligation is either a Bond that has an issue price less than ninety-five per cent of the principal redemption amount or a Loan where the amount advanced is less than ninety-five per cent of the principal repayment amount, and (iii) such Bond or Loan does not include provisions relating to the accretion over time of the amount which would be payable on an early redemption or repayment of such Bond or Loan that are customary for the applicable type of Bond or Loan as the case may be, then the Outstanding Principal Balance of such Bond or Loan shall be the lesser of (a) the Non-Contingent Amount; and (b) an amount determined by straight line interpolation between the issue price of the Bond or the amount advanced under the Loan and the principal redemption amount or principal repayment amount, as applicable.

For the purposes of determining whether the issue price of a Bond or the amount advanced under a Loan is less than ninety-five per cent of the principal redemption amount or principal

repayment amount (as applicable) or, where applicable, for applying straight line interpolation:

- (x) where such Bond or Loan was issued as a result of an exchange offer, the issue price or amount advanced of the new Bond or Loan resulting from the exchange shall be deemed to be equal to the aggregate Outstanding Principal Balance of the original obligation(s) that were tendered or exchanged (the “**Original Obligation(s)**”) at the time of such exchange (determined without regard to market or trading value of the Original Obligation(s)); and
- (y) in the case of a Bond or Loan that is fungible with a prior debt obligation previously issued by the Reference Entity, such Bond or Loan shall be treated as having the same issue price or amount advanced as the prior debt obligation.

In circumstances where a holder would have received more than one obligation in exchange for the Original Obligation(s), the Calculation Agent will determine the allocation of the aggregate Outstanding Principal Balance of the Original Obligation(s) amongst each of the resulting obligations for the purpose of determining the issue price or amount advanced of the relevant Bond or Loan. Such allocation will take into account the interest rate, maturity, level of subordination and other terms of the obligations that resulted from the exchange and shall be made by the Calculation Agent in accordance with the methodology (if any) determined by the relevant Credit Derivatives Determinations Committee or, if none, as determined by the Calculation Agent in such manner and by reference to such source(s) as it determines appropriate.”.

- (ii) The definition of Failure to Pay in Condition 12 shall be deleted in its entirety and replaced with the following:

“**Failure to Pay**” means, after the expiration of any applicable Grace Period (after the satisfaction of any conditions precedent to the commencement of such Grace Period), the failure by the Reference Entity to make, when and where due, any payments in an aggregate amount of not less than the Payment Requirement under one or more Obligations, in accordance with the terms of such Obligations at the time of such failure provided that, if an occurrence that would constitute a Failure to Pay (a) is a result of a redenomination that occurs as a result of action taken by a Governmental Authority which is of general application in the jurisdiction of such Governmental Authority and (b) a freely available market rate of conversion existed at the time of the redenomination, then such occurrence will be deemed not to constitute a Failure to Pay unless the redenomination itself constituted a reduction in the rate or amount of interest, principal or premium payable (as determined by reference to such freely available market rate of conversion) at the time of such redenomination. If “Credit Deterioration Requirement” is specified as applicable in the applicable Final Terms, then, notwithstanding the foregoing, it shall not constitute a Failure to Pay if such failure does not directly or indirectly either result from, or result in, a deterioration in the creditworthiness or financial condition of the Reference Entity, as determined by the Calculation Agent. In making such determination, the Calculation Agent may take into account the guidance note set out in paragraph 3 (*Interpretive Guidance*) of the ISDA 2019 Narrowly Tailored Credit Event Supplement to the 2014 ISDA Credit Derivatives Definitions (published on July 15, 2019).

ANNEX 5

ADDITIONAL TERMS AND CONDITIONS FOR FUND LINKED NOTES

The terms and conditions applicable to Fund Linked Notes shall comprise the terms and conditions of the Notes (the “**Note Conditions**”) and the Additional Terms and Conditions for Fund Linked Notes 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 Note Conditions and the Fund Linked Conditions, the Fund Linked Conditions shall prevail. In the event of any inconsistency between (i) the Note Conditions and/or the Fund Linked Conditions and (ii) the applicable Final Terms, the applicable Final Terms shall prevail.

1. **General Definitions**

“**Averaging Date**” means, in respect of an Actual Exercise Date, each date specified as an Averaging Date in the applicable Final Terms.

“**Valuation Date**” means each Valuation Date specified in the applicable Final Terms.

2. **Provisions relating to Funds other than Exchange Traded Funds**

Fund Linked Conditions 3, 4 and 5 apply in respect of Funds other than Exchange Traded Funds.

3. **Definitions (Funds other than Exchange Traded Funds)**

“**Basket of Funds**” means a basket composed of Funds in the relative proportions or number of Funds, as specified in the applicable Final Terms.

“**Fund**” means, subject to adjustment in accordance with these Fund Linked Conditions, each fund specified in the applicable Final Terms and related expressions shall be construed accordingly.

“**Fund Administrator**” means the fund administrator, manager, trustee or similar person with the primary administrative responsibilities for a Fund according to the relevant Fund Documents.

“**Fund Adviser**” means any person appointed in the role of discretionary investment manager or non-discretionary investment adviser (including a non-discretionary investment adviser to a discretionary investment manager or to another non-discretionary investment adviser).

“**Fund Documents**” means the constitutive and governing documents, subscription agreements and other agreements of a Fund specifying the terms and conditions relating to the related Fund Interest, as amended from time to time.

“**Fund Interest**” means, subject to adjustment in accordance with these Fund Linked Conditions, each fund interest specified in the applicable Final Terms and related expressions shall be construed accordingly.

“**Fund Redemption Valuation Date**” means, in respect of a Fund Interest, the date as of which a Fund (or its Fund Service Provider that generally determines such value) would determine the net asset value of such Fund Interest for purposes of calculating the redemption proceeds to be paid to a Hypothetical Investor that has submitted a valid and timely notice for redemption of Fund Interests based on the value determined as of such date.

“**Fund Service Provider**” means any person who is appointed to provide services, directly or indirectly, to a Fund, whether or not specified in the relevant Fund Documents, including without limitation any Fund Administrator, Fund Adviser, operator, management company, depository, custodian, sub-custodian, prime broker, administrator, trustee, registrar and transfer agent or domiciliary agent.

“**Fund Valuation Date**” means a date as of which a Fund (or its Fund Service Provider that generally determines such value) determines the value of the related Fund Interest.

“Hypothetical Investor” means a hypothetical or actual investor (as determined by the Calculation Agent in the context of the relevant situation) in Fund Interests which is deemed to have the benefits and obligations, as provided in the relevant Fund Documents, of an investor holding Fund Interests at the relevant time. The Hypothetical Investor may be deemed by the Calculation Agent to be resident or organized in any jurisdiction, and to be, without limitation, the Issuer, the Calculation Agent or any of their affiliates (as determined by the Calculation Agent in the context of the relevant situation).

“Removal Date” means, in respect of an Affected Fund Interest, the date on which the Calculation Agent determines that a Hypothetical Investor would receive the Removal Value in respect of a redemption or realization of such Affected Fund Interest effected as soon as reasonably practicable following the occurrence of the relevant Fund Event.

“Removal Value” means, in respect of an Affected Fund Interest, the amount that the Calculation Agent determines a Hypothetical Investor would receive in cash on the redemption or realization of such Affected Fund Interest at the relevant time, provided that if any such redemption proceeds would comprise non-monetary assets the Removal Value may, at the sole and absolute discretion of the Calculation Agent, include only such amount (if any) that the Calculation Agent determines would be received by the Hypothetical Investor in respect of a realization (in whatsoever manner the Calculation Agent determines appropriate) of such non-monetary assets as soon as reasonably practicable after their receipt.

“Scheduled Fund Redemption Valuation Date” means the date as of which a Fund (or its Fund Service Provider that generally determine such value) is scheduled, according to the relevant Fund Documents (without giving effect to any gating, deferral, suspension or other provisions permitting the Fund to delay or refuse redemption of Fund Interests), to determine the net asset value of the related Fund Interest for purposes of calculating the redemption proceeds to be paid to an investor that has submitted a valid and timely notice for redemption of Fund Interests based on the value determined as of such date.

“Scheduled Fund Valuation Date” means, in respect of a Fund Interest, a date as of which the related Fund (or its Fund Service Provider that generally determines such value) is scheduled, according to the relevant Fund Documents (without giving effect to any gating, deferral, suspension or other provisions permitting the Fund to delay or refuse redemption of Fund Interests), to determine the value of the related Fund Interest or, if the Fund only reports its aggregate net asset value, the date as of which such Fund is scheduled to determine its aggregate net asset value.

4. Fund Events

“Fund Event” means the occurrence of each of an Additional Fund Disruption Event, a Fund Disruption Event and/or a Fund Extraordinary Event as determined by the Calculation Agent.

(a) **“Additional Fund Disruption Event”** means each of Change in Law, Fund Hedging Disruption or Increased Cost of Hedging.

“Change in Law” means that, on or after the Trade Date (i) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law) or an Announced Prospective Change, or (ii) 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 or any of its Affiliates or agents acting on its behalf determines in good faith that (x) it has become illegal to hold, acquire or dispose of any Fund Interests, or (y) the Issuer will incur (or, in the case of an Announced Prospective Change and assuming that such Announced Prospective Change becomes effective as of the date specified in such announcement and in the form announced, would incur) a materially increased cost in performing its obligations under the Fund Linked Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).

“Fund Hedging Disruption” means that the Issuer or any of its Affiliates or agents is unable, or it is impractical for the Issuer or any of its Affiliates or agents, after using commercially reasonable efforts, to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose

of any transaction or asset it deems necessary or appropriate to hedge the price risk relating to any Fund Interest of the Issuer issuing and performing its obligations with respect to the Fund Linked Notes, or (ii) realize, recover or remit the proceeds of any such transaction or asset, including, without limitation, where such inability or impracticability has arisen by reason of (x) any restrictions or increase in charges or fees imposed by a Fund on an investor's ability to redeem the related Fund Interest, in whole or in part, or any existing or new investor's ability to make new or additional investments in such Fund Interest, or (y) any mandatory redemption, in whole or in part, of a Fund Interest imposed by the related Fund (in each case other than any restriction in existence on the Trade Date or, in respect of a Replacement Fund Interest, the relevant replacement date).

"Increased Cost of Hedging" means that the Issuer or any of its Affiliates or agents would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense or fee (other than brokerage commissions) or cost of capital or capital to be set aside to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the price risk (including, but not limited to, dividend risk and currency risk) relating to any Fund Interest of the Issuer issuing and performing its obligations with respect to the Fund Linked Notes, or (ii) realize, recover or remit the proceeds of any 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.

(b) **"Fund Disruption Event"** means at any time the occurrence or continuance of any of the following events, as determined by the Calculation Agent in its sole and absolute discretion, if the Calculation Agent determines any such event is material:

(i) Fund Valuation Disruption: **"Fund Valuation Disruption"** means (x) the failure of a Scheduled Fund Redemption Valuation Date in respect of a Fund Interest to be a Fund Redemption Valuation Date in respect of such Fund Interest or any continued postponement of such Fund Redemption Valuation Date, or (y) the failure of a Scheduled Fund Valuation Date in respect of a Fund Interest to be a Fund Valuation Date in respect of such Fund Interest or any continued postponement of such Fund Valuation Date;

(ii) Fund Settlement Disruption: **"Fund Settlement Disruption"** means a failure by a Fund on any day to pay the full amount (whether expressed as a percentage or otherwise) of any fund redemption proceeds with respect to any Fund Interest scheduled to have been paid on or by such day according to the relevant Fund Documents (without giving effect to any gating, deferral, suspension or other provisions permitting the Fund to delay or refuse redemption of Fund Interests).

(c) **"Fund Extraordinary Event"** means each of the following events:

(i) Nationalization: **"Nationalization"** means that all the Fund Interests or all or substantially all the assets of a Fund are nationalized, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof;

(ii) Insolvency: **"Insolvency"** means that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting a Fund, (x) all the Fund Interests of that Fund are required to be transferred to a trustee, liquidator or other similar official or (y) holders of the Fund Interests of that Fund become legally prohibited from transferring or redeeming them;

(iii) Fund Insolvency Event: **"Fund Insolvency Event"** means a Fund or relevant Fund Service Provider (A) is dissolved or has a resolution passed for its dissolution, winding up or official liquidation (other than pursuant to a consolidation, amalgamation or merger); (B) makes a general assignment or arrangement with or for the benefit of its creditors; (C) (x) 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 organization or the jurisdiction of its head or home office, a proceeding seeking a judgment of insolvency or bankruptcy or any other

relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official, or (y) has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and such proceeding or petition is instituted or presented by a person or entity not described in clause (x) above and either (1) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation or (2) is not dismissed, discharged, stayed or restrained in each case within fifteen days of the institution or presentation thereof; (D) 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; (E) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all of its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within fifteen days thereafter; or (F) 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 paragraphs (E) and (F) above;

- (iv) NAV Trigger Event: “**NAV Trigger Event**” means that (x) the aggregate net asset value of a Fund has decreased by an amount equal to or greater than 30 per cent. since the Trade Date or, in respect of a Replacement Fund Interest, the relevant replacement date; or (y) a Fund has violated any leverage restriction that is applicable to, or affecting, it or its assets by operation of any law, any order or judgment of any court or other agency of government applicable to it or any of its
- (v) assets, the relevant Fund Documents or any contractual restriction binding on or affecting the Fund or any of its assets;
- (vi) Adviser Resignation Event: “**Adviser Resignation Event**” means the resignation, termination of appointment, or replacement of a Fund’s Fund Adviser;
- (vii) Fund Modification: “**Fund Modification**” means any change or modification of the relevant Fund Documents that could reasonably be expected to affect the value of a Fund Interest or the rights or remedies of any holders thereof (in each case, as determined by the Calculation Agent) from those prevailing on the Trade Date or, in respect of a Replacement Fund Interest, the relevant replacement date; or the imposition of any fees or charges in relation to redemptions, subscriptions or transfers of Fund Interests;
- (viii) Strategy Breach: “**Strategy Breach**” means any breach or violation of any strategy or investment guidelines stated in the relevant Fund Documents that is reasonably likely to affect the value of a Fund Interest or the rights or remedies of any holders thereof (in each case, as determined by the Calculation Agent); or any change of the nature of a Fund, including but not limited to the type of investments, the duration, the credit risk and diversification of the investments to which that Fund is exposed, which, in the opinion of the Calculation Agent, results in a material deterioration of the risk profile of that Fund;
- (ix) Regulatory Action: “**Regulatory Action**” means (x) the cancellation, suspension or revocation of the registration or approval of a Fund Interest or the related Fund by any governmental, legal or regulatory entity with authority over such Fund Interest or Fund, (y) any change in the legal, tax, accounting, or regulatory treatments of a Fund or its Fund Adviser that is reasonably likely to have an adverse impact on the value of the related Fund Interest or on any investor therein (as determined by the Calculation Agent), or (z) a Fund or any of its Fund Administrator or Fund Adviser becoming subject to investigation, proceeding or litigation by any relevant governmental, legal or regulatory authority involving the alleged violation of applicable law for any activities relating to or resulting from the operation of such Fund, Fund Administrator or Fund Adviser;

- (x) Reporting Disruption: “**Reporting Disruption**” means (x) occurrence of any event affecting a Fund Interest that, in the determination of the Calculation Agent, would make it impossible or impracticable for the Calculation Agent to determine the value of such Fund Interest in respect of a Scheduled Fund Valuation Date or a Scheduled Fund Redemption Valuation Date, and such event continues for at least two consecutive Scheduled Fund Valuation Dates or Scheduled Fund Redemption Valuation Dates, as the case may be; (y) any failure of a Fund to deliver, or cause to be delivered, (A) information that such Fund has agreed to deliver, or cause to be delivered to the Calculation Agent, including, but not limited to, information to determine the occurrence of a Fund Event and the annual audited financial report and semi-annual financial report, if any, in relation to the related Fund Interests, or (B) information that has been previously delivered to the Calculation Agent, in accordance with such Fund’s, or its authorised representative’s, normal practice and that the Calculation Agent deems necessary to monitor such Fund’s compliance with any investment guidelines, asset allocation methodologies or any other similar policies relating to the related Fund Interests;
- (xi) Fund Service Provider Cessation: “**Fund Service Provider Cessation**” means that one or more Fund Service Provider(s) in respect of a Fund ceases to provide the service as outlined in the relevant Fund Documents prevailing on the Trade Date or, where the related Fund Interest is a Replacement Fund Interest, the relevant replacement date, and any such Fund Service Provider is not immediately replaced by another service provider acceptable to the Calculation Agent;
- (xii) Fund Administrator Disruption: “**Fund Administrator Disruption**” means any event or circumstances, which in the opinion of the Calculation Agent compromises the independence of a Fund Administrator performing services for a Fund from the relevant Fund Adviser; or
- (xiii) Related Agreement Termination: “**Related Agreement Termination**” means a Fund or any of its Fund Administrator or Fund Adviser is in breach of or has terminated any existing agreement with the Calculation Agent in respect of, but not limited to, retrocession, dealing fees, liquidity and licensing.

Following the occurrence of a Fund Event, the Issuer may take the action described in (i) or (ii) below which the Calculation Agent, in its sole and absolute discretion, determines to be practicable, which may be determined by the Calculation Agent after all necessary information has been obtained and/ or released by the Fund:

- (i) require the Calculation Agent to make such determinations and/or adjustments to the Terms and Conditions and/or the applicable Final Terms as it determines appropriate to account for the Fund Event, which may include, without limitation,
 - (a) delaying any determination date (including any Valuation Date or Averaging Date) and/or any date on which payment might otherwise have to be made under the terms of the applicable Final Terms until it determines that no Fund Event exists;
 - (b) determining that, in the sole and absolute discretion of the Calculation Agent, one or more Fund Events may continue until or after any scheduled determination dates and/or payment dates as set out in the applicable Final Terms, and thereafter determining to fix any determination date (including any Valuation or Averaging Date) and/or date on which payment should be made, and making payment on such date of such amount as is appropriate, as determined in sole and absolute discretion of the Calculation Agent, taking into account the Fund Event, and which may be based solely on any amounts of cash that a Hypothetical Investor in the Fund actually received from the Fund during the relevant period or periods (and which may be less than any relevant net asset value published for the Fund, and may be as low as zero);
 - (c) calculating the value of a Fund Interest and/or replacing a Fund Interest (the “**Affected Fund Interest**”) with a replacement fund interest (the “**Replacement Fund Interest**”) with a value as determined by the Calculation Agent equal to the Removal Value for the

Affected Fund Interest and in a fund which in the determination of the Calculation Agent has similar characteristics, investment objectives and policies to those applicable to the Fund in respect of the Affected Fund Interest immediately prior to the occurrence of the Fund Event; or

- (ii) on giving notice to the Noteholders in accordance with Note Condition 14, redeem all (but not some only) of the Notes, each Note being redeemed at the Early Redemption Amount.

If the Calculation Agent replaces an Affected Fund Interest with a Replacement Fund Interest, such replacement shall take effect on the first reasonably practicable date following the Removal Date for such Affected Fund Interest on which the Calculation Agent determines that a Hypothetical Investor could acquire the Replacement Fund Interest.

Upon the occurrence of a Fund Event, the Issuer shall give notice as soon as reasonably practicable to the Noteholders in accordance with Note Condition 14 giving details of the action proposed to be taken in relation thereto, provided that any failure to give, or non-receipt of, such notice will not affect the validity of such action.

5. Fund Potential Adjustment Events

“**Fund Potential Adjustment Event**” means any of the following:

- (i) a subdivision, consolidation or reclassification of relevant Fund Interests or a free distribution or dividend of any such Fund Interests to existing holders by way of bonus, capitalization or similar issue;
- (ii) a distribution, issue or dividend to existing holders of relevant Fund Interests of (A) such Fund Interests or (B) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the related Fund equally or proportionately with such payments to holders of such Fund Interests or (C) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the related Fund as a result of a spin-off or other similar transaction or (D) any other type of securities, rights or warrants or other assets, in any case for payment (in cash or in other consideration) at less than the prevailing market price as determined by the Calculation Agent;
- (iii) an extraordinary dividend as determined by the Calculation Agent;
- (iv) a repurchase by a Fund of relevant Fund Interests whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise other than where such repurchase is a redemption of Fund Interests initiated by an investor in such Fund Interests and consistent with the relevant Fund Documents; or
- (v) any other event that may have, in the opinion of the Calculation Agent, a diluting, concentrative or other on the theoretical value of relevant Fund Interests.

Following the declaration by a Fund of the terms of any Fund Potential Adjustment Event, the Calculation Agent will, in its sole and absolute discretion, determine whether such Fund Potential Adjustment Event has a diluting, concentrative or other effect on the theoretical value of the relevant Fund Interest and, if so, will make the corresponding adjustment, if any, to any one or more of any of the terms of the Terms and Conditions and/or the applicable Final Terms as the Calculation Agent in its sole and absolute discretion, determines appropriate to account for that diluting, concentrative or other effect (provided that no adjustments will be made to account solely for changes in volatility, expected dividends or liquidity relative to the relevant Fund Interest) and determine the effective date of that adjustment.

Upon the making of any such adjustment by the Calculation Agent, the Issuer shall give notice as soon as reasonably practicable to the Noteholders in accordance with Note Condition 14 stating the

adjustment to any of the terms of the Terms and Conditions, and/or the applicable Final Terms and giving brief details of the Fund Potential Adjustment Event, provided that any failure to give, or non receipt of, such notice will not affect the validity of any such adjustment.

6. Provisions relating to Exchange Traded Funds

Fund Linked Conditions 7, 8, 9 and 10 apply to Exchange Traded Funds.

7. Definitions (Exchange Traded Funds)

“**Disrupted Day**” means any Scheduled Trading Day on which a relevant Exchange or any Related Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred.

“**ETF**” means any fund which is an exchange traded fund as specified in the applicable Final Terms, or if not so specified, any fund which the Calculation Agent determines to be an Exchange Traded Fund.

“**Exchange**” means, in relation to a Fund Share, the exchange or principal trading market for such ETF specified 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 Fund Shares in respect of such ETF has temporarily relocated.

“**Exchange Business Day**” means any Scheduled Trading Day on which each Exchange and each Related Exchange are open for trading during their respective regular trading sessions, notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time.

“**Fund Share**” means an equity security of each ETF, and references to “holder of Fund Shares” and “Fund Shareholder” shall be construed accordingly.

“**Related Exchange**” means, in relation to a Fund Share, each exchange or principal trading market specified as such for such Fund 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 Fund Shares in respect of such Fund Share has temporarily relocated (provided the Calculation Agent has determined that there is comparable liquidity relative to such Fund Shares 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 principal trading market where trading has a material effect (as determined by the Calculation Agent) on the overall market for such Fund Shares.

“**Scheduled Closing Time**” means, in respect of an Exchange or Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange or Related Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside of the regular trading session hours.

“**Scheduled Trading Day**” means any day on which each Exchange and each Related Exchange are scheduled to be open for trading for their respective regular trading sessions.

“**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.

“**Underlying Index**” means the underlying index specified in the applicable Final Terms.

“**Valuation Cut-Off Date**” means the eighth Scheduled Trading Day immediately following the Scheduled Valuation Date or if earlier the Scheduled Trading Day falling on or immediately preceding the second Business Day immediately preceding the date on which payment of any amount or delivery of any assets may have to be made pursuant to any calculation or determination made on such

Valuation Date, provided that the Valuation Cut-Off Date shall not fall prior to the original date on which such Valuation Date was scheduled to fall.

“**Valuation Date**” means each Valuation Date specified in the applicable Final Terms or if that is not a Scheduled Trading Day the first Scheduled Trading Day thereafter or, if earlier, the Valuation Cut- Off Date. If such day is a Disrupted Day, then:

- (a) where the Fund Linked Notes relate to a single Fund, the Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the Scheduled Trading Days up to and including the Valuation Cut-Off Date is a Disrupted Day. In that case, or if such Valuation Date falls on the Valuation Cut-Off Date owing to the original date on which it was scheduled to fall not being a Scheduled Trading Day for such Fund Share, (i) the Valuation Cut-Off Date shall be deemed to be the Valuation Date (notwithstanding the fact that such day may be a Disrupted Day) and (ii) the Calculation Agent shall determine the relevant price in the manner set out in the applicable Final Terms or, if not set out or if not practicable, determine the relevant price in accordance with its good faith estimate of the relevant price as of the Valuation Time on the Valuation Cut-Off Date; or
- (b) where the Fund Linked Notes relate to a Basket of Funds, the Valuation Date for each Fund Share not affected by the occurrence of a Disrupted Day shall be the Scheduled Valuation Date (or, if earlier, the Valuation Cut-Off Date) and the Valuation Date for each Fund Share affected (each an “**Affected Fund Share**”) by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to the Affected Fund Share, unless each of the Scheduled Trading Days immediately following the Scheduled Valuation Date up to and including the Valuation Cut-Off Date is a Disrupted Day relating to the Affected Fund Share. In that case, or if such Valuation Date falls on the Valuation Cut- Off Date owing to the original date on which it was scheduled to fall not being a Scheduled Trading Day for such Affected Fund Share, (i) the Valuation Cut-Off Date shall be deemed to be the Valuation Date for such Share (notwithstanding the fact that such day may be a Disrupted Day) and (ii) the Calculation Agent shall determine the relevant price using, in relation to such Affected Fund Share, a price determined in the manner set out in the applicable Final Terms or, if not set out or if not practicable, using its good faith estimate of the price for the Affected Fund Share as of the Valuation Time on the Valuation Cut-Off Date, and otherwise in accordance with the above provisions.

“**Valuation Time**” means the Valuation Time specified in the applicable Final Terms or, if no Valuation Time is specified, the Scheduled Closing Time on the relevant Exchange on the relevant Valuation Date in relation to each Fund 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.

8. Market Disruption

“**Market Disruption Event**” means, in respect of a Fund Share:

- (a) the occurrence or existence at any time during the one hour period that ends at the relevant Valuation Time:
 - (x) of any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise: (A) relating to the relevant Fund Share on such Exchange; or (B) relating to securities that comprise 20 per cent. or more of the level of the relevant Underlying Index or any relevant successor index; or (C) in futures or options contracts relating to such Fund Shares or the relevant Underlying Index on any relevant Related Exchange, or
 - (y) of any event (other than an event described in (b) below) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general to (i) effect transactions in, or obtain market values for, the Fund Shares on the Exchange, (ii) effect transactions in, or obtain market values for securities that comprise 20 per cent. or more of the level of the relevant Underlying Index, or (iii) to effect transactions in, or obtain market values for, futures or options contracts relating to such Fund Shares or the relevant Underlying Index on any relevant Related Exchange; or

- (b) the closure on any Exchange Business Day of any relevant Exchange(s) or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or such Related Exchange(s), as the case may be, at least one hour prior to (A) the actual closing time for the regular trading session on such Exchange(s) or such Related Exchange on such Exchange Business Day or, if earlier, (B) the submission deadline for orders to be entered into such Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day,

which in any such case the Calculation Agent determines is material.

For the purpose of determining whether a Market Disruption Event exists in respect of a Fund Share at any time, if an event giving rise to a Market Disruption Event occurs in respect of a security included in the relevant Underlying Index at that time, then the relevant percentage contribution of that security, to the level of the relevant Underlying Index shall be based on a comparison of (i) the portion of the level of the relevant Underlying Index attributable to that security, and the overall level of the relevant Underlying Index immediately before the occurrence of such Market Disruption Event.

The Issuer shall give notice as soon as practicable to the Noteholders in accordance with Note Condition 14 occurrence of a Disrupted Day on any day that, but for the occurrence of a Disrupted Day, would have been a Valuation Date provided that any failure to give, or non-receipt of, such notice will not affect the validity of any such Disrupted Day.

9. Potential Adjustment Event

“**Potential Adjustment Event**” means any of the following:

- (i) a subdivision, consolidation or reclassification of relevant Fund Shares (unless resulting in a Merger Event or Tender Offer), or a free distribution or dividend of any such Fund Shares to existing holders by way of bonus, capitalization or similar issue;
- (ii) a distribution, issue or dividend to existing holders of the relevant Fund Shares of (a) such Fund Shares or (b) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the ETF equally or proportionately with such payments to holders of such Fund Shares or (c) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the ETF as a result of a spin-off or other similar transaction, or (d) 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 Calculation Agent;
- (iii) an extraordinary dividend as determined by the Calculation Agent;
- (iv) a call by the ETF in respect of relevant Fund Shares that are not fully paid;
- (v) a repurchase by the ETF or any of its subsidiaries of relevant Fund Shares, whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
- (vi) in respect of an ETF, an event that results in any shareholder rights being distributed or becoming separated from Fund Shares of common stock or other shares of the capital stock of the ETF 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 Calculation Agent, provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights; or
- (vii) any other event that may have a diluting or concentrative effect on the theoretical value of the relevant Fund Shares.

Following a Potential Adjustment Event, the Calculation Agent will, in its sole and absolute discretion, determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the relevant Fund Shares and, if so, will (a) make the corresponding adjustment(s),

if any, to any one or more of the terms of the Terms and Conditions of the Notes and/or the applicable Final Terms as the Calculation Agent determines appropriate to account for that diluting or concentrative effect and (b) determine the effective date(s) of that adjustment(s). The Calculation 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 Fund Shares traded on such options exchange.

Upon the making of any such adjustment, the Calculation Agent shall as soon as is reasonably practicable under the circumstances give notice to the Noteholders in accordance with Note Condition 14, stating the adjustment made and giving brief details of the Potential Adjustment Event, provided that any failure to give, or non-receipt of, such notice will not affect the validity of any such adjustment.

10. De-Listing, Insolvency, Material Underlying Event, Merger Date, Merger Event, Nationalization, Tender Offer

“De-Listing” means, in respect of a Fund Share, that the relevant Exchange announces that pursuant to the rules of such Exchange, such Fund Share ceases (or will cease) to be listed, traded or publicly quoted on such Exchange for any reason (other than a Merger Event or Tender Offer) and are not immediately re-listed, re-traded or re-quoted on an exchange or quotation system located in the same country as the Exchange (or, where the Exchange is within the European Union, in a member state of the European Union).

“Insolvency” means that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting an ETF, (A) all the Fund Shares of that ETF are required to be transferred to a trustee, liquidator or other similar official or (B) holders of the Fund Shares of that ETF become legally prohibited from transferring them.

“Material Underlying Event” means any of the following:

- (i) the investment objectives and/or policies in respect of the ETF are materially changed;
- (ii) an illegality occurs or a relevant authorization or license is revoked in respect of the ETF and/ or the ETF is required by a competent authority (other than any holder of the Fund Shares) to redeem any Fund Shares;
- (iii) there is a change in any relevant jurisdiction in respect of any payments made by the ETF in respect of any Fund Share as a result of which the amounts paid or to be paid by the Issuer in connection with hedging arrangements relating to the Notes are materially reduced or otherwise adversely affected; and/or
- (iv) any other event occurs in relation to the ETF and/or the Fund Shares which is materially prejudicial to the Issuer in connection with the issue of the Notes or any hedging arrangements relating to the Notes, as determined by the Calculation Agent.

“Merger Date” means the closing date of a Merger Event or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Calculation Agent.

“Merger Event” means, in respect of any relevant Fund Shares, any (i) reclassification or change of such Fund Shares that results in a transfer of or an irrevocable commitment to transfer all of such Fund Shares outstanding to another entity or person, (ii) consolidation, amalgamation, merger or binding share exchange of the ETF with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which such ETF is the continuing entity and which does not result in any such reclassification or change of all such Fund Shares outstanding) or (iii) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100 per cent. of the outstanding Fund Shares of the relevant ETF that results in a transfer of or an irrevocable commitment to transfer all such Fund Shares (other than such Fund Shares owned or controlled by such other entity or person), or (iv) consolidation, amalgamation, merger or binding share exchange of the ETF or its subsidiaries with or into another entity in which the ETF is the continuing entity and which does not result in a reclassification or change of all such Fund

Shares outstanding but results in the outstanding Fund Shares (other than Fund Shares owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 per cent. of the outstanding Fund Shares immediately following such event (a “Reverse Merger”), in each case if the Merger Date is on or before the Valuation Date (or such other date as is specified in the applicable Final Terms).

“**Nationalization**” means that all the Fund Shares or all or substantially all the assets of an ETF are nationalized, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof.

“**Tender Offer**” means a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than 10 per cent. and less than 100 per cent. of the outstanding voting shares of the relevant ETF, as determined by the Calculation Agent, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Calculation Agent deems relevant.

“**Tender Offer Date**” means, in respect of a Tender Offer, the date on which voting shares in the amount of the applicable percentage threshold are actually purchased or otherwise obtained (as determined by the Calculation Agent).

If a De-Listing, Merger Event, Tender Offer, Nationalization, Insolvency or Material Underlying Event occurs in relation to any Fund Share, the Issuer in its sole and absolute discretion may take the action described in (i), (ii) or (iii) below:

- (i) require the Calculation Agent, in its sole and absolute discretion, to determine the appropriate adjustment(s), if any, to be made to any one or more of the terms of the Terms and Conditions and/or the applicable Final Terms to account for the De-Listing, Merger Event, Tender Offer, Nationalization, Insolvency or Material Underlying Event, as the case may be, and determine the effective date(s) of that adjustment(s). The Calculation Agent may (but need not) determine the appropriate adjustment(s) by reference to the adjustment(s) in respect of the De-Listing, Merger Event, Tender Offer, Nationalization, Insolvency or Material Underlying Event made by any options exchange to options on the relevant Fund Share traded on that options exchange;
- (ii) give notice to the Noteholders in accordance with Note Condition 14, and redeem all, but not some only, of the Notes, each nominal amount of Notes equal to the Calculation Amount being redeemed at the Early Redemption Amount; or
- (iii) following such adjustment to the settlement terms of options on the Fund Shares traded on such exchange(s) or quotation system(s) as the Issuer in its sole discretion shall select (the “**Options Exchange**”), require the Calculation Agent to make a corresponding adjustment to any one or more of the terms of the Terms and Conditions and/or the applicable Final Terms, which adjustment will be effective as of the date determined by the Calculation Agent to be the effective date of the corresponding adjustment made by the Options Exchange. If options on the Fund Shares are not traded on the Options Exchange, the Calculation Agent will make such adjustment, if any, to any one or more of the terms of the Terms and Conditions and/or the applicable Final Terms as the Calculation Agent in its sole and absolute discretion determines appropriate, with reference to the rules and precedents (if any) set by the Options Exchange to account for the Merger Event, Tender Offer, De-listing, Nationalization, Insolvency or Material Underlying Event, as the case may be, that in the determination of the Calculation Agent would have given rise to an adjustment by the Options Exchange if such Option were so traded.

Upon the occurrence of a Merger Event, Tender Offer, De-listing, Nationalization, Insolvency or Material Underlying Event, the Issuer shall give notice as soon as practicable to the Noteholders in accordance with Note Condition 14 stating the occurrence of the Merger Event, Tender Offer, Nationalization, De-listing, Insolvency or Material Underlying Event, as the case may be, giving details thereof and the action proposed to be taken in relation thereto provided that any failure to give, or non-receipt of, such notice will not affect the validity of any such Merger Event, Tender Offer, De- listing, Nationalization or Insolvency, as the case may be.

11. Additional Disruption Events

- (a) **“Additional Disruption Event”** means any of Change in Law, Hedging Disruption and/or Increased Cost of Hedging, in each case if specified in the applicable Final Terms.

“Change in Law” means that, on or after the Trade Date (i) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law) or an Announced Prospective Change, or (ii) 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 Calculation Agent determines in its sole and absolute discretion that (A) it has become illegal to hold, acquire or dispose of any relevant Fund Share or (B) it will incur (or, in the case of an Announced Prospective Change and assuming that such Announced Prospective Change becomes effective as of the date specified in such announcement and in the form announced, would incur) a materially increased cost in performing its obligations in relation to the Fund Linked Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on the tax position of the Issuer and/or any of its Affiliates).

“Hedging Disruption” means that the Issuer and/or any of its Affiliates or agents is unable, after using commercially reasonable efforts, to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity or other price risk (including, but not limited to, dividend risk and currency risk) of the Issuer issuing and performing its obligations with respect to the Fund Linked Notes, or (ii) realize, recover or remit the proceeds of any such transaction(s) or asset(s).

“Increased Cost of Hedging” means that the Issuer and/or any of its Affiliates or agents 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) or cost of capital or capital to be set aside to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity or other price risk (including, but not limited to, dividend risk and currency risk) of the Issuer issuing and performing its obligations with respect to the Fund Linked Notes, or (ii) realize, recover or remit the proceeds of any such transaction(s) or asset(s), provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer and/or any of its Affiliates or agents shall not be deemed an Increased Cost of Hedging.

- (b) If an Additional Disruption Event occurs, the Issuer in its sole and absolute discretion may take the action described in (i) or (ii) below:
- (i) require the Calculation Agent to determine in its sole and absolute discretion the appropriate adjustment, if any, to be made to any of the other terms of the Terms and Conditions and/or the applicable Final Terms to account for the Additional Disruption Event and determine the effective date of that adjustment; or
 - (ii) give notice to Noteholders in accordance with Note Condition 14 and redeem all, but not some only, of the Notes, each nominal amount of Notes equal to the Calculation Amount being redeemed at the Early Redemption Amount.
- (c) Upon the occurrence of an Additional Disruption Event, the Issuer shall give notice as soon as practicable to the Noteholders in accordance with Note Condition 14 stating the occurrence of the Additional Disruption Event giving details thereof and the action proposed to be taken in relation thereto provided that any failure to give, or non-receipt of, such notice will not affect the validity of the Additional Disruption Event.

ANNEX 6

ADDITIONAL TERMS AND CONDITIONS FOR PHYSICAL DELIVERY NOTES

1. Interpretation

The following provisions (the “**Physical Delivery Note Conditions**”) apply to Notes specified as being Physical Delivery Notes in the applicable Final Terms or where Physical Delivery is specified in the applicable Final Terms.

References in the Physical Delivery Note Conditions to “delivery”, “delivered” and “deliver” shall in the context of the delivery of the Entitlement in respect of Credit Linked Notes be deemed to be references to “Delivery”, “Delivered” and “Deliver” as such terms are defined and construed in the Credit Linked Conditions.

2. Delivery of Entitlement and Asset Transfer Notices

In order to obtain delivery of the Entitlement(s) in respect of any Note:

- (i) if such Note is represented by a Bearer Global Note or Registered Note represented by a global certificate held on behalf of Euroclear and Clearstream, Luxembourg (a “**Global Certificate**”), the relevant Noteholder must deliver to Euroclear or Clearstream, Luxembourg (as applicable), with a copy to the Fiscal Agent or the Registrar, as the case may be, and the Issuer not later than the close of business in each place of reception on the Cut-Off Date, a duly completed Asset Transfer Notice substantially in the form set out in the Agency Agreement (the “**Asset Transfer Notice**”); and
- (ii) if such Note is in definitive form or a Registered Note not represented by a Global Certificate, the relevant Noteholder must deliver to any Paying Agent or the Registrar, as the case may be, in each case with a copy to the Fiscal Agent (in the case of a Bearer Note) and the Issuer not later than the close of business in each place of reception on the Cut-Off Date, a duly completed Asset Transfer Notice.

Forms of the Asset Transfer Notice may be obtained during normal business hours from the specified office of the Registrar or any Paying Agent, as applicable.

An Asset Transfer Notice may only be delivered (i) if such Note is represented by a Bearer Global Note or Global Certificate, in such manner as is acceptable to Euroclear or Clearstream, Luxembourg, as the case may be or (ii) if such Note is in definitive form or is a Registered Note not represented by a Global Certificate, in writing. If such Note is in definitive form or is a Registered Note not represented by a Global Certificate, such Note must be delivered together with the duly completed Asset Transfer Notice.

The Issuer shall at the risk of the relevant Noteholder deliver the Entitlement in respect of each Note or, in the case of Credit Linked Notes, Deliver the Deliverable Obligations comprising the Entitlement in such commercially reasonable manner as the Issuer shall, in its sole discretion, determine to be appropriate for such delivery.

All expenses including any applicable depositary charges, transaction or exercise charges, stamp duty, stamp duty reserve tax, issue, registration, securities, transfer and/or other taxes or duties (together “**Expenses**”) arising from the redemption of the Notes and the delivery of any Entitlement shall be for the account of the relevant Noteholder and no delivery and/or transfer of any Entitlement shall be made until all Expenses have been paid to the satisfaction of the Issuer by the relevant Noteholder.

An Asset Transfer Notice must:

- (i) specify the name, address and contact telephone number of the relevant Noteholder and the person from whom the Issuer may obtain details for the delivery of the Entitlement if such delivery is to be made otherwise than in the manner specified in the applicable Final Terms;

- (ii) in the case of Notes represented by a Bearer Global Note or Global Certificate, specify the nominal amount of Notes which are the subject of such notice and the number of the Noteholder's account at Euroclear or Clearstream, Luxembourg, as the case may be, to be debited with such Notes and irrevocably instruct and authorise Euroclear or Clearstream, Luxembourg, as the case may be, to debit the relevant Noteholder's account with such Notes on or before the Maturity Delivery Date (as defined below) or, in the case of Credit Linked Notes, the Credit Settlement Date;
- (iii) include an undertaking to pay all Expenses and, in the case of Notes represented by a Bearer Global Note or Global Certificate, an authority to debit a specified account of the Noteholder at Euroclear or Clearstream, Luxembourg, as the case may be, in respect thereof and to pay such Expenses;
- (iv) include such details as are required by the applicable Final Terms for delivery of the Entitlement which may include account details and/or the name and address of any person(s) into whose name evidence of the Entitlement is to be registered and/or any bank, broker or agent to whom documents evidencing the Entitlement are to be delivered and specify the name and number of the Noteholder's account to be credited with any cash payable by the Issuer, in respect of any cash amount constituting the Entitlement or any dividends relating to the Entitlement, as a result of the occurrence of a Settlement Disruption Event or a Failure to Deliver due to Illiquidity and the Issuer electing to pay the Disruption Cash Settlement Price or Failure to Deliver Settlement Price, as applicable, or in respect of any Partial Cash Settlement Amounts;
- (v) certify that the beneficial owner of each Note is not a United States person (as defined in the Asset Transfer Notice), the Note is not being redeemed within the United States or on behalf of a United States 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 United States person in connection with any redemption thereof; and
- (vi) authorise the production of such notice in any applicable administrative or legal proceedings.

No Asset Transfer Notice may be withdrawn after receipt thereof by Euroclear, Clearstream, Luxembourg, the Registrar or a Paying Agent, as the case may be, as provided above. After delivery of an Asset Transfer Notice, the relevant Noteholder may not transfer the Notes which are the subject of such notice.

In the case of Notes represented by a Bearer Global Note or Global Certificate, upon receipt of such notice, Euroclear or Clearstream, Luxembourg, as the case may be, shall verify that the person specified therein as the Noteholder is the holder of the specified nominal amount of Notes according to its books.

Subject thereto, Euroclear or Clearstream, Luxembourg, as the case may be, will confirm to the Fiscal Agent or Registrar, as the case may be, the series number and number of Notes which are the subject of such notice, the relevant account details (if applicable) and the details for the delivery of the Entitlement in respect of each such Note. Upon receipt of such confirmation, the Fiscal Agent will inform the Issuer thereof. Euroclear or Clearstream, Luxembourg, as the case may be, will on or

before the Maturity Delivery Date or Credit Settlement Date, as the case may be, debit the securities account of the relevant Noteholder with the Notes the subject of the relevant Asset Transfer Notice.

Failure properly to complete and deliver an Asset Transfer Notice may result in such notice being treated as null and void. Any determination as to whether such notice has been properly completed and delivered as provided in the Physical Delivery Note Conditions shall be made, in the case of Notes represented by a Bearer Global Note or Global Certificate, by Euroclear or Clearstream, Luxembourg, as the case may be, after consultation with the Fiscal Agent and the Issuer and shall be conclusive and binding on the Issuer and the relevant Noteholder or in the case of Notes in definitive form, by the relevant Paying Agent or the Registrar, as the case may be after consultation with the Fiscal Agent and the Issuer and shall be conclusive and binding on the Issuer and the relevant Noteholder.

If such Asset Transfer Notice is subsequently corrected to the satisfaction of, (i) in the case of Notes represented by a Bearer Global Note or Global Certificate, Euroclear or Clearstream, Luxembourg, as

the case may be, or the relevant Paying Agent, or (ii) in the case of Notes in definitive form or Registered Notes not represented by a Global Certificate, by the relevant Paying Agent or the Registrar, as the case may be, in each case in consultation with the Fiscal Agent (in the case of Bearer Notes) and the Issuer, it shall be deemed to be a new Asset Transfer Notice submitted at the time such correction was delivered as provided above. Euroclear, Clearstream, Luxembourg or the relevant Paying Agent or the Registrar, as the case may be, shall use its best efforts promptly to notify the Noteholder submitting an Asset Transfer Notice if, in consultation with the Fiscal Agent (in the case of Bearer Notes) and the Issuer, it has determined that such Asset Transfer Notice is incomplete or not in proper form. In the absence of negligence or willful misconduct on its part, none of the Issuer, the Paying Agents, the Registrar, Euroclear, Clearstream, Luxembourg or the Fiscal 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 Noteholder.

The Entitlement will be delivered at the risk of the relevant Noteholder, in the manner provided above on the Maturity Date (such date, subject to adjustment in accordance with these Physical Delivery Note Conditions, the “**Maturity Delivery Date**”) or, in the case of Credit Linked Notes, in the manner provided above on the Credit Settlement Date, provided that the Asset Transfer Notice is duly delivered to Euroclear, Clearstream, Luxembourg, the Registrar or a Paying Agent, as the case may be, with a copy to the Fiscal Agent (in the case of Bearer Notes) and the Issuer, as provided above, not later than the close of business in each place of receipt on the Cut-Off Date.

If an Asset Transfer Notice is delivered to Euroclear, Clearstream, Luxembourg, the Registrar or a Paying Agent, as the case may be, with a copy to the Fiscal Agent (in the case of Bearer Notes) and the Issuer, later than the close of business in each place of receipt on the Cut-Off Date, then the Entitlement will be delivered as soon as practicable after the Maturity Date (in which case, such date of delivery shall be the Maturity Delivery Date) or, in the case of Credit Linked Notes, the Credit Settlement Date at the risk of such Noteholder in the manner provided above. Provided that if in respect of a Note an Asset Transfer Notice is not delivered to Euroclear, Clearstream, Luxembourg, the Registrar or a Paying Agent, as the case may be, with a copy to the Fiscal Agent (in the case of Bearer Notes) and the Issuer, later than the close of business in each place of receipt on the 90th calendar day following the Cut-off Date the Issuer’s obligations in respect of such Note shall be discharged and no further liability in respect thereof shall attach to the Issuer. For the avoidance of doubt, in such circumstances such Noteholder shall not be entitled to any payment, whether of interest or otherwise, as a result of such Maturity Delivery Date or the Credit Settlement Date, as the case may be, falling after the originally designated Maturity Delivery Date or Credit Settlement Date, as the case may be, and no liability in respect thereof shall attach to the Issuer.

Delivery of the Entitlement in respect of the Notes is subject to all applicable laws, regulations and practices in force on the Maturity Delivery Date or the Credit Settlement Date, as the case may be, and none of the Issuer, or any of its Affiliates or agents, the Registrar and the Paying Agents shall incur any liability whatsoever if it is unable to effect the transactions contemplated, after using all reasonable efforts, as a result of any such laws, regulations or practices. None of the Issuer or any of its Affiliates or agents and the Paying Agents shall under any circumstances be liable for any acts or defaults of Euroclear or Clearstream, Luxembourg in relation to the performance of their duties in relation to the Notes.

For such period of time after the Maturity Delivery Date or Credit Settlement Date, as the case may be, as any person other than the relevant Noteholder shall continue to be the legal owner of the securities, obligations or Deliverable Obligations comprising the Entitlement (the “**Intervening Period**”), neither the Issuer nor any other such person shall (i) be under any obligation to deliver or procure delivery to the relevant Noteholder or any subsequent beneficial owner of such Note any letter, certificate, notice, circular or any other document or, except as provided herein, payment whatsoever received by that person in respect of such securities, obligations or Deliverable Obligations, (ii) be under any obligation to exercise or procure exercise of any or all rights (including voting rights) attaching to such securities, obligations or Deliverable Obligations during the Intervening Period or (iii) be under any liability to the relevant Noteholder, or any subsequent beneficial owner of such Note in respect of any loss or damage which the relevant Noteholder, or subsequent beneficial owner may sustain or suffer as a result, whether directly or indirectly, of that person being the legal owner of such securities, obligations or Deliverable Obligations during such Intervening Period.

Where the Entitlement comprises shares, any dividend or other distribution in respect of such Entitlement will be payable to the party that would receive such dividend or other distribution according to market practice for a sale of the share executed on the Maturity Delivery Date and to be delivered in the same manner as the Entitlement. Any such dividend or other distribution to be paid to a Noteholder shall be paid to the account specified in the relevant Asset Transfer Notice.

Except in the case of Credit Linked Notes, where the Entitlement is, in the determination of the Issuer, an amount other than an amount of Relevant Assets capable of being delivered, the Noteholders will receive an Entitlement comprising the nearest number (rounded down) of Relevant Assets capable of being delivered by the Issuer (taking into account that a Noteholder's entire holding may be aggregated at the Issuer's discretion for the purpose of delivering the Entitlements), and in respect of the amount of Relevant Assets not capable of being delivered, an amount in the Specified Currency which shall be the value of the amount of the Relevant Assets so rounded down, as calculated by the Calculation Agent in its sole discretion from such source(s) as it may select (converted if necessary into the Specified Currency by reference to such exchange rate as the Calculation Agent deems appropriate).

3. Settlement Disruption Event

The provisions of this Physical Delivery Note Condition 3 shall apply to Physical Delivery Notes other than Credit Linked Notes. If, prior to the delivery of the Entitlement in accordance with these Physical Delivery Note Conditions, a Settlement Disruption Event is subsisting, then the Maturity Delivery Date in respect of such Note shall be postponed until the next Settlement Business Day on which no Settlement Disruption Event is subsisting and notice thereof shall be given to the relevant Noteholder, in accordance with Note Condition 14. Such Noteholder shall not be entitled to any payment, whether of interest or otherwise, on such Note as a result of any delay in the delivery of the Entitlement pursuant to these Physical Delivery Note Conditions. Where delivery of the Entitlement has been postponed as provided in the Physical Delivery Note Conditions the Issuer shall not be in breach of these Conditions and no liability in respect thereof shall attach to the Issuer.

For so long as delivery of the Entitlement in respect of any Note is not practicable by reason of a Settlement Disruption Event, then 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 Note by payment to the relevant Noteholder of the Disruption Cash Settlement Price not later than on the third Business Day following the date that the notice of such election (the "**Election Notice**") is given to the Noteholders in accordance with Note Condition 14.

4. Failure to Deliver due to Illiquidity

The provisions of this Physical Delivery Note Condition 4 shall apply to Physical Delivery Notes other than Credit Linked Notes.

If Failure to Deliver due to Illiquidity is specified as applying in the applicable Final Terms and, in the opinion of the Calculation Agent, it is impossible or impracticable to deliver, when due, some or all of the Relevant Assets comprising the Entitlement (the "**Affected Relevant Assets**"), where such failure to deliver is due to illiquidity in the market for the Relevant Assets (a "**Failure to Deliver due to Illiquidity**"), then:

- (i) subject as provided elsewhere in the Physical Delivery Note Conditions and/or the applicable Final Terms, any Relevant Assets which are not Affected Relevant Assets, will be delivered on the originally designated Maturity Delivery Date in accordance with the Physical Delivery Note Conditions; and
- (ii) in respect of any Affected Relevant Assets, notwithstanding any other provision hereof, the Issuer may elect in its sole discretion, in lieu of delivery of the Affected Relevant Assets, to pay to the relevant Noteholder the Failure to Deliver Settlement Price (as defined below) on the fifth Business Day following the date the Failure to Deliver Notice (as defined below) is given to the Noteholders in accordance with Note Condition 14. The Issuer shall give notice (such notice a "**Failure to Deliver Notice**") as soon as reasonably practicable to the Noteholders in accordance with Note Condition 14 that the provisions of this Physical Delivery Note Condition 4 apply.

5. Option to Vary Settlement

The provisions of this Physical Delivery Note Condition 5 shall apply to Physical Delivery Notes other than Credit Linked Notes.

If the applicable Final Terms indicate that the Issuer has an option to vary settlement in respect of the Notes, the Issuer may in its sole and unfettered discretion in respect of each such Note, elect not to pay the relevant Noteholders the Final Redemption Amount or to deliver or procure delivery of the Entitlement to the relevant Noteholders, as the case may be, but, in lieu thereof to deliver or procure delivery of the Entitlement or make payment of the Final Redemption Amount on the Maturity Date to the relevant Noteholders, as the case may be. Notification of such election will be given to Noteholders in accordance with Condition 13.

6. Additional Provisions for Credit Linked Notes

The provisions of this Physical Delivery Note Condition 6 shall apply to Credit Linked Notes.

In relation to each Deliverable Obligation constituting the Entitlement the Issuer will Deliver or procure the Delivery of the relevant Deliverable Obligation as provided in Physical Delivery Note Condition 2 on the Credit Settlement Date, provided that if all or some of the Deliverable Obligations included in the Entitlement are Undeliverable Obligations and/or Hedge Disruption Obligations, then the Issuer shall continue to attempt to Deliver all or a portion of such Undeliverable Obligations or Hedge Disruption Obligations, as the case may be, on or before the 30th Business Day following the Credit Settlement Date (the “**Final Delivery Date**”), provided further that if all or a portion of such Undeliverable Options or Hedge Disruption Obligations, as the case may be, are not Delivered by the Final Delivery Date the provisions of Credit Linked Condition 9 shall apply.

7. Definitions

For the purposes of these Physical Delivery Note Conditions:

“**Disruption Cash Settlement Price**” means, in respect of each nominal amount of Notes equal to the Calculation Amount, an amount equal to the fair market value of such Notes (but not taking into account any interest accrued on such Note and paid pursuant to Note Condition 4 and Note Condition 5) on such day as shall be selected by the Issuer in its sole and absolute discretion provided that such day is not more than 15 days before the date that the Election Notice is given as provided above less the cost to the Issuer and/or its Affiliates or agents of the Issuer of unwinding or adjusting any underlying or related hedging arrangements (including the cost of funding in respect of such hedging arrangements), all as calculated by the Calculation Agent in its sole and absolute discretion.

“**Failure to Deliver Settlement Price**” means, in respect of each nominal amount of the Notes equal to the Calculation Amount, the fair market value of the Affected Relevant Assets in respect of such Notes on the fifth Business Day prior to the date on which the Failure to Deliver Notice is given as provided above, less the cost to the Issuer and/or its Affiliates or agents of unwinding or adjusting any underlying or related hedging arrangements (including the cost of funding in respect of such hedging arrangements), all as calculated by the Calculation Agent in its sole and absolute discretion.

“**Settlement Disruption Event**” means an event beyond the control of the Issuer as a result of which, in the opinion of the Calculation Agent delivery of the Entitlement by or on behalf of the Issuer in accordance with the Physical Delivery Note Conditions and/or the applicable Final Terms is not practicable.

ANNEX 7

ADDITIONAL TERMS AND CONDITIONS FOR SYNTHETIC CURRENCY NOTES

1. Interpretation

The terms and conditions applicable to Synthetic Currency Notes shall comprise the terms and conditions of the Notes (the “**Note Conditions**”) and the Additional Terms and Conditions for Synthetic Currency Notes set out below (the “**Synthetic Currency Asset Conditions**”).

The following provisions apply to Notes where Synthetic Currency Asset Conditions are specified in the applicable Final Terms as being applicable to the Notes.

2. Synthetic Currency Asset Conditions

(a) *Payments in Payment Currency*

If the Synthetic Currency Asset Conditions are specified in the applicable Final Terms as being applicable to the Notes, notwithstanding the Notes being denominated in the Specified Currency, all payments in respect of the Notes shall be made in the Payment Currency. The Calculation Agent will promptly determine on the Rate Calculation Date the amount to be paid in the Payment Currency by multiplying the Synthetic Currency FX Rate by the amount that would have been payable (in the Specified Currency) were it not for this Synthetic Currency Asset Condition 2, rounded to the nearest cent (or its approximate equivalent sub-unit in the relevant Payment Currency), half a cent (or its approximate equivalent sub-unit in the relevant Payment Currency) being rounded upwards or otherwise in accordance with applicable market convention, and the Calculation Agent will, as soon as possible after such determination (but in no event later than (i) two hours after such determination or (ii) such other time for such notification agreed by the Calculation Agent and the Issuer) cause the amount to be paid in the Payment Currency to be notified to the Issuer, the Paying Agents, the Registrar, and, if the rules applicable to any stock exchange on which the Notes are for the time being listed or admitted to trading so require, any such stock exchange, and for so long as the Notes are represented by a global Note, Euroclear, Clearstream, Luxembourg and/or DTC, and to be published in accordance with Note Condition 14. Such payment shall be made on the date such payment would be otherwise payable were it not for this Synthetic Currency Asset Condition 2, provided that, if the Rate Calculation Date is postponed in accordance with the provisions below, such payment shall be made the Number of Rate Calculation Business Days after the Rate Calculation Date (as so postponed). No additional interest shall be payable in respect of any such delay. Note Condition 6(h) shall apply to such payment.

(b) *Synthetic Currency FX Disruption Provisions*

(1) Consequences of Disrupted Days

If the Calculation Agent determines that any Rate Calculation Date is a Disrupted Day, the Calculation Agent shall determine the Synthetic Currency FX Rate in respect of such Rate Calculation Date in accordance with the first applicable Disruption Fallback (applied in accordance with its terms). If “*Unscheduled Holiday*” is specified in the applicable Final Terms to be applicable, the references to “*Rate Calculation Date*” in the foregoing sentence shall be deemed to mean the Rate Calculation Date as postponed in accordance with Synthetic Currency Asset Condition 2(c)(1) below.

(2) Disruption Fallbacks

(i) Calculation Agent Determination

“Calculation Agent Determination” means, in respect of a Synthetic Currency FX Rate which is affected by the occurrence of a Disrupted Day, that the Calculation Agent will determine such Synthetic Currency FX Rate (or a method for determining such Synthetic Currency FX Rate) in respect of such Disrupted Day, in its sole discretion acting in good faith and in a commercially reasonable manner.

(ii) Fallback Reference Price

“Fallback Reference Price” means, in respect of a Synthetic Currency FX Rate which is affected by the occurrence of a Disrupted Day, that the Calculation Agent will determine such Synthetic Currency FX Rate in respect of such Disrupted Day pursuant to the alternate Settlement Rate Option(s) or FX Price Source(s), if any, specified as Fallback Reference Price(s) in the applicable Final Terms (in the order such Fallback Reference Price(s) appear in the applicable Final Terms, until a rate has been determined or all Fallback Reference Price(s) have been used).

(iii) Currency-Reference Dealers

“Currency-Reference Dealers” means, in respect of a Synthetic Currency FX Rate which is affected by the occurrence of a Disrupted Day, that the Calculation Agent will request each of at least four leading dealers, banks or banking corporations which deal in the relevant exchange market (as selected by the Calculation Agent) to provide a quotation of its rate at which it will buy one unit of the Specified Currency in units of the Payment Currency at the applicable Synthetic Currency Valuation Time on such Disrupted Day. If, for any such rate, at least two quotations are provided, the relevant rate will be the arithmetic mean of the quotations. If fewer than two quotations are provided for any such rate, the relevant rate will be the arithmetic mean of the relevant rates quoted by major banks in the relevant market, selected by the Calculation Agent at or around the applicable Synthetic Currency Valuation Time on such Disrupted Day.

(iv) Other Published Sources

“Other Published Sources” means, in respect of a Synthetic Currency FX Rate which is affected by the occurrence of a Disrupted Day, that the Calculation Agent will determine such Synthetic Currency FX Rate in respect of such Disrupted Day on the basis of the exchange rate for one unit of the Specified Currency in terms of the Payment Currency published by available recognised financial information vendors (as selected by the Calculation Agent) other than the applicable Synthetic Currency FX Price Source, at or around the applicable Synthetic Currency Valuation Time on such Disrupted Day.

(v) Postponement

“Postponement” means, in respect of a Synthetic Currency FX Rate, that if the Calculation Agent determines that any Rate Calculation Date is a Disrupted Day for such Synthetic Currency FX Rate, then the Rate Calculation Date shall be the first succeeding Synthetic Currency FX Business Day that is not a Disrupted Day, unless the Calculation Agent determines that each of the consecutive Synthetic Currency FX Business Days equal in number to the Maximum Days of Postponement immediately following such Rate Calculation Date is a Disrupted Day. In that case:

- (A) that last consecutive Synthetic Currency FX Business Day shall be deemed to be the Rate Calculation Date (notwithstanding the fact that such day may be a Disrupted Day); and
- (B) the next Disruption Fallback specified in the applicable Final Terms in respect of such Synthetic Currency FX Rate shall apply.

(vi) Yen Calculation Agent Determination

“**Yen Calculation Agent Determination**” means, where the Payment Currency is Yen, the Calculation Agent shall determine the Synthetic Currency FX Rate by requesting each of the FX Reference Banks, to provide a quotation for the Synthetic Currency FX Rate. If five or four such quotations are provided as requested, after disregarding the highest of such quotations and the lowest of such quotations (provided that, if two or more such quotations are the highest such quotations, then only one of such quotations shall be disregarded, and if two or more such quotations are the lowest quotations then only one of such lowest quotations shall be disregarded), the applicable rate shall be determined by the Calculation Agent as the arithmetic mean (rounded to the nearest five decimal places, with 0.000005 being rounded upwards) of the remaining such quotations for such rate. If only three or two quotations are so provided, then the Synthetic Currency FX Rate shall be the arithmetic mean (rounded to the nearest five decimal places, with 0.000005 being rounded upwards) of such quotations. If only one quotation is available, in that event, the Calculation Agent in its sole discretion, acting in good faith and in a commercially reasonable manner may determine that such quotation shall be the Synthetic Currency FX Rate or, alternatively, the Calculation Agent can determine that the single quotation is not suitable. If the single quotation is not suitable or no such quotation is available or if the Calculation Agent determines in its sole discretion that no suitable FX Reference Bank which is prepared to quote is available, the Calculation Agent will determine the Synthetic Currency FX Rate in its sole discretion, acting in good faith and in a commercially reasonable manner.

(vii) Cross Rate Fallback

“**Cross Rate Fallback**” means, in respect of a Synthetic Currency FX Rate in respect of which FX Price Source Determination is specified to be applicable but Cross Rate is not specified to be applicable, that the Calculation Agent will determine such Synthetic Currency FX Rate as if Cross Rate had been specified to be applicable and the Crossing Currency were the Fallback Crossing Currency.

(c) *EM Currency Provisions*

(1) **Unscheduled Holiday**

If “Unscheduled Holiday” is specified to be applicable in the applicable Final Terms in respect of a Synthetic Currency FX Rate, and if the Calculation Agent determines that a Rate Calculation Date is an Unscheduled Holiday in respect of the Synthetic Currency FX Rate, then the Rate Calculation Date in respect of such Synthetic Currency FX Rate shall be the first succeeding Synthetic Currency FX Business Day which is not an Unscheduled Holiday, unless the Calculation Agent determines that such first succeeding Synthetic Currency FX Business Day has not occurred on or before the date falling the Maximum Days of Unscheduled Holiday Postponement immediately following such Rate Calculation Date. In that case, the next day after that period that would be a Synthetic Currency FX Business Day but for an Unscheduled Holiday shall be deemed to be the Rate Calculation Date (such day, the “**Adjusted Rate Calculation Date**”).

(2) Additional Disruption Fallbacks

In addition to the Disruption Fallbacks set out in Synthetic Currency Asset Condition 2(b)(2) above, the applicable Final Terms may also specify any of the following additional Disruption Fallbacks to apply in respect of a Synthetic Currency FX Rate:

(i) EM Valuation Postponement

“EM Valuation Postponement” means, in respect of a Synthetic Currency FX Rate (which term shall include, where the applicable Final Terms provides that the prior applicable Disruption Fallback is “Fallback Reference Price”, the Synthetic Currency FX Rate determined using the applicable Fallback Reference Price), that if the Calculation Agent determines that any Rate Calculation Date is a Disrupted Day in respect of such Synthetic Currency FX Rate, then the Rate Calculation Date shall be the first succeeding Synthetic Currency FX Business Day which is not a Disrupted Day, unless the Calculation Agent determines that no such Synthetic Currency FX Business Day has occurred on or before the Maximum Days of EM Valuation Postponement immediately following such Rate Calculation Date. In that case:

- (a) the next Synthetic Currency FX Business Day after the EM Valuation Longstop Date shall be deemed to be the Rate Calculation Date (notwithstanding the fact that such day may be a Disrupted Day); and
- (b) the next Disruption Fallback specified in the applicable Final Terms in respect of such Synthetic Currency FX Rate shall apply.

(ii) EM Valuation Fallback Postponement

“EM Valuation Fallback Postponement” means, in respect of a Synthetic Currency FX Rate (which term shall include, where the applicable Final Terms provides that the prior applicable Disruption Fallback is “Fallback Reference Price”, the Synthetic Currency FX Rate determined using the applicable Fallback Reference Price), that if the Calculation Agent determines that the Synthetic Currency FX Rate (as determined by reference to the applicable Fallback Reference Price) is not available (a) on the first Synthetic Currency FX Business Day following the end of the Maximum Days of EM Valuation Postponement (where a Synthetic Currency FX Disruption Event has occurred or exists in respect of the Synthetic Currency FX Rate throughout the Maximum Days of EM Valuation Postponement) or (b) on the Adjusted Rate Calculation Date, then the Rate Calculation Date shall be the first succeeding Synthetic Currency FX Business Day which is not a Disrupted Day, unless the Calculation Agent determines that no such Synthetic Currency FX Business Day has occurred on or before the Maximum Days of EM Valuation Fallback Postponement immediately following such first Synthetic Currency FX Business Day following the end of the Maximum Days of EM Valuation Postponement or the Adjusted Rate Calculation Date, as the case may be. In that case:

- (a) the next Synthetic Currency FX Business Day after the EM Valuation Fallback Longstop Date shall be deemed to be the Rate Calculation Date (notwithstanding the fact that such day may be a Disrupted Day); and
- (b) the next Disruption Fallback specified in the applicable Final Terms in respect of such Synthetic Currency FX Rate shall apply.

(3) Cumulative Events

If “**Cumulative Events**” is specified to be applicable in the applicable Final Terms in respect of a Synthetic Currency FX Rate (which term shall include, where the applicable Final Terms provide that the prior applicable Disruption Fallback is “Fallback Reference Price”, the Synthetic Currency FX Rate determined using the applicable Fallback Reference Price), then the total number of consecutive calendar days during which such Rate Calculation Date is deferred due to the Applicable Events specified in the applicable Final Terms shall not exceed the Maximum Days of Cumulative Postponement in the aggregate. For the avoidance of doubt, if the Applicable Events are only specified in the applicable Final Terms to include an Unscheduled Holiday and an EM Valuation Postponement; “Cumulative Events” does not preclude postponement of valuation in accordance with EM Valuation Fallback Postponement to the extent it is also a Disruption Fallback specified in the applicable Final Terms.

Accordingly, if by the operation of the above paragraph, a Rate Calculation Date is postponed by the number of calendar days equal to the Maximum Days of Cumulative Postponement, then such Rate Calculation Date shall be the next Synthetic Currency FX Business Day after the Cumulative Longstop Date. If such date is a Disrupted Day or an Unscheduled Holiday, then the Calculation Agent shall determine the Synthetic Currency FX Rate in respect of such Cumulative Longstop Date in accordance with the next applicable Disruption Fallback.

(d) *Definitions*

“**1998 ISDA FX Definitions**” means the 1998 ISDA FX and Currency Option Definitions, as published by the International Swaps and Derivatives Association, Inc., and in respect of the Notes, as amended and supplemented up to and including the Issue Date of the first Tranche of the Notes.

“**Adjusted Rate Calculation Date**” has the meaning given to it in Synthetic Currency Asset Condition 2(c)(1).

“**Applicable Events**” means any of (i) an Unscheduled Holiday, (ii) any EM Valuation Postponement or (iii) an EM Valuation Fallback Postponement (or any combination of such events).

“**Calculation Agent**” means the Fiscal Agent or such other entity specified as Calculation Agent for the purposes of Synthetic Currency Asset Condition 2 in the applicable Final Terms.

“**Calculation Agent Determination**” has the meaning given to it in Synthetic Currency Asset Condition 2(b)(2)(i).

“**Crossing Currency**” means the currency specified as such in the applicable Final Terms or, if no currency is so specified, U.S. Dollars.

“**Crossing-Payment Currency FX Rate**” means either:

- (i) if “ISDA Determination” is specified to be applicable in the applicable Final Terms in respect of the Crossing-Payment Currency FX Rate, the Spot Rate or Settlement Rate (as applicable) that would be determined by the Calculation Agent under an FX Transaction governed by an ISDA Master Agreement which incorporates the 1998 ISDA FX Definitions and under which:
 - (a) the Settlement Rate Option is as specified in the applicable Final Terms; and

- (b) the Rate Calculation Date is the applicable Rate Calculation Date; or
- (ii) if “FX Price Source Determination” is specified to be applicable in the applicable Final Terms in respect of the Crossing-Payment Currency FX Rate, the exchange rate of the Crossing Currency into the Payment Currency (and, if the applicable Final Terms specify a Number of FX Settlement Days, for settlement in a number of FX Settlement Days equal to the Number of FX Settlement Days), which appears on the FX Price Source at approximately the applicable Crossing-Payment Currency Valuation Time on the relevant Rate Calculation Date, provided that if the exchange rate which appears on the FX Price Source is the exchange rate for the conversion of the Payment Currency into the Crossing Currency, the Crossing-Payment Currency FX Rate shall be the reciprocal number (rounded, if Reciprocal Rounding is specified in the applicable Final Terms to be applicable in respect of the Crossing-Payment Currency FX Rate, to the Number of Reciprocal Rounding Places, with half of the relevant unit being rounded upwards) of such exchange rate.

For the purposes of sub-paragraph (i), “FX Transaction”, “Settlement Rate”, “Settlement Rate Option” and “Spot Rate” have the meanings given to them in the 1998 ISDA FX Definitions.

“**Crossing-Payment Currency Valuation Time**” means the time specified as such in the applicable Final Terms or, if no time is specified as such, the time selected by the Calculation Agent.

“**Cumulative Events**” has the meaning given to it in Synthetic Currency Asset Condition 2(c)(3).

“**Cumulative Longstop Date**” means, in respect of any postponement by a number of days equal to the Maximum Days of Cumulative Postponement, the last day of such postponement.

“**Currency**” has the meaning given to it in the 1998 ISDA FX Definitions.

“**Currency-Reference Dealers**” has the meaning given to it in Synthetic Currency Asset Condition 2(b)(2)(iii).

“**Disrupted Day**” means any day on which a Synthetic Currency FX Disruption Event occurs.

“**Disruption Fallback**” means, in respect of a Synthetic Currency FX Rate, Calculation Agent Determination, Fallback Reference Price, Currency-Reference Dealers, Other Published Sources, Postponement, Yen Calculation Agent Determination, Cross Rate Fallback, EM Valuation Postponement and EM Valuation Fallback Postponement. The applicable Disruption Fallback in respect of a Synthetic Currency FX Rate shall be as specified in the applicable Final Terms, and if two or more Disruption Fallbacks are specified, unless otherwise provided in the applicable Final Terms, such Disruption Fallbacks shall apply in the order in which they are specified, such that if the Calculation Agent determines that the Synthetic Currency FX Rate cannot be determined by applying one Disruption Fallback, then the next Disruption Fallback specified shall apply.

“**EM Valuation Fallback Longstop Date**” means, in respect of any postponement by a number of days equal to the Maximum Days of EM Valuation Fallback Postponement, the last day of such postponement.

“**EM Valuation Fallback Postponement**” has the meaning given to it in Synthetic Currency Asset Condition 2(c)(2)(ii) above.

“**EM Valuation Longstop Date**” means, in respect of any postponement by a number of days equal to the Maximum Days of EM Valuation Postponement, the last day of such postponement.

“EM Valuation Postponement” has the meaning given to it in Synthetic Currency Asset Condition 2(c)(2)(i) above.

“Fallback Crossing Currency” means the currency specified as such in the applicable Final Terms or, if no currency is so specified, U.S. Dollars.

“Fallback Reference Price” has the meaning given to it in Synthetic Currency Asset Condition 2(b)(2)(ii).

“FX Price Source” means, in respect of a Synthetic Currency FX Rate or a Crossing- Payment Currency FX Rate or a Specified-Crossing Currency FX Rate, the price source(s) (if any) specified as such in the applicable Final Terms for such Synthetic Currency FX Rate or, if the relevant rate is not published or announced by such FX Price Source at the relevant time, the successor or alternative price source or page/publication for the relevant rate as determined by the Calculation Agent in its sole and absolute discretion.

“FX Reference Banks” means (i) the institutions specified as such in the applicable Final Terms; or (ii) if any of the institutions specified as such in the applicable Final Terms have ceased to exist or quote relevant rates or prices, whether because of merger or otherwise, those institutions specified that continue to exist and quote relevant rates and prices together with such additional number of institutions selected by the Issuer and notified to the Calculation Agent, as is required to increase the number of existing and quoting institutions to the number of institutions originally specified; (iii) if institutions are not specified in the applicable Final Terms, five leading institutions in the relevant currency and foreign exchange markets selected by the Issuer and notified to the Calculation Agent.

“FX Settlement Business Centre” means any financial centre relevant for the purposes of determining FX Settlement Days, as specified in the applicable Final Terms.

“FX Settlement Days” means a day on which commercial banks and foreign exchange markets settle payments in each FX Settlement Business Centre specified in the applicable Final Terms.

“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.

“Maximum Days of Cumulative Postponement” means the number of days specified as such in the applicable Final Terms.

“Maximum Days of EM Valuation Fallback Postponement” means the number of days specified as such in the applicable Final Terms.

“Maximum Days of EM Valuation Postponement” means the number of days specified as such in the applicable Final Terms.

“Maximum Days of Postponement” means the number of days specified as such in the applicable Final Terms.

“Maximum Days of Unscheduled Holiday Postponement” means the number of calendar days specified as such in the applicable Final Terms.

“**Non-USD FX Rate**” means, in the case of currency linked notes, neither the Specified Currency nor the Payment Currency is U.S. dollars.

“**Number of Cross Rate Rounding Places**” means the number specified as such in the applicable Final Terms.

“**Number of FX Settlement Days**” means, in respect of the Payment Currency, such number or amount as is specified in the applicable Final Terms.

“**Number of Rate Calculation Business Days**” means the number of Rate Calculation Business Days specified as such in the applicable Final Terms.

“**Number of Reciprocal Rounding Places**” means the number specified as such in the applicable Final Terms.

“**Other Published Sources**” has the meaning given to it in Synthetic Currency Asset Condition 2(b)(2)(iv).

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

“**Postponement**” has the meaning given to it in Synthetic Currency Asset Condition 2(b)(2)(v).

“**Principal Financial Centre**” has the meaning given to it in Synthetic Currency Asset Condition 2(e).

“**Rate Calculation Business Centre(s)**” means each business centre that is relevant for determining whether a day is a Rate Calculation Business Day, as specified in the applicable Final Terms, provided that if no business centre is specified in the applicable Final Terms, the Rate Calculation Business Centre(s) shall be the Principal Financial Centres for the relevant currencies.

“**Rate Calculation Business Day**” means, unless otherwise specified in the applicable Final Terms, a day (other than a Saturday, Sunday or public holiday) on which commercial banks are open for general business (including dealings in foreign exchange) in the Rate Calculation Business Centre(s).

“**Rate Calculation Date**” means, in respect of any Interest Payment Date or the Maturity Date or other date on which an Early Redemption Amount or other amount is due, the day falling the Number of Rate Calculation Business Days prior to such Interest Payment Date, Maturity Date, or other date (as the case may be), provided that if such day is an Unscheduled Holiday (if applicable) or a Disrupted Day, the Rate Calculation Date shall be determined in accordance with Synthetic Currency Asset Condition 2(b)(1) and/or Condition 2(c)(1).

“**Specified-Crossing Currency FX Rate**” means, subject to Note Condition 6(c), either:

- (i) if “ISDA Determination” is specified to be applicable in the applicable Final Terms in respect of the Specified-Crossing Currency FX Rate, the Spot Rate or Settlement Rate (as applicable) that would be determined by the Calculation Agent under an FX Transaction governed by an ISDA Master Agreement which incorporates the 1998 ISDA FX Definitions and under which:
 - (a) the Settlement Rate Option is as specified in the applicable Final Terms; and
 - (b) the Rate Calculation Date is the applicable Rate Calculation Date; or

- (ii) if “FX Price Source Determination” is specified to be applicable in the applicable Final Terms in respect of the Specified-Crossing Currency FX Rate, the exchange rate of the Specified Currency into the Crossing Currency (and, if the applicable Final Terms specify a Number of FX Settlement Days, for settlement in a number of FX Settlement Days equal to the Number of FX Settlement Days), which appears on the FX Price Source at approximately the applicable Specified- Crossing Currency Valuation Time on the relevant Rate Calculation Date, provided that if the exchange rate which appears on the FX Price Source is the exchange rate for the conversion of the Crossing Currency into the Specified Currency, the Specified-Crossing Currency FX Rate shall be the reciprocal number (rounded, if Reciprocal Rounding is specified in the applicable Final Terms to be applicable in respect of the Specified-Crossing Currency FX Rate, to the Number of Reciprocal Rounding Places, with half of the relevant unit being rounded upwards) of such exchange rate.

For the purposes of sub-paragraph (i), “FX Transaction”, “Settlement Rate”, “Settlement Rate Option” and “Spot Rate” have the meanings given to them in the 1998 ISDA FX Definitions.

“**Specified-Crossing Currency Valuation Time**” means the time specified as such in the applicable Final Terms or, if no time is specified as such, the time selected by the Calculation Agent.

“**Synthetic Currency FX Business Centre**” means each business centre that is relevant to determining whether a day is a Synthetic Currency FX Business Day, as specified in the applicable Final Terms.

“**Synthetic Currency FX Business Day**” means a day (other than a Saturday, Sunday or public holiday) on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits in accordance with the market practice of the foreign exchange market), or but for the occurrence of a Synthetic Currency FX Disruption Event would have settled payments and been open for general business, either in each of the Principal Financial Centres in respect of the Synthetic Currency FX Rate or, if Synthetic Currency FX Business Centres are specified in the applicable Final Terms, in each such Synthetic Currency FX Business Centre.

“**Synthetic Currency FX Disruption Event**” means the occurrence or existence, as determined by the Calculation Agent, of any of the following events, if specified as applicable in the applicable Final Terms:

- (i) “**Benchmark Obligation Default**”, which means, with respect to any Benchmark Obligation, the occurrence of an event of default or other similar condition or event (however described), including, but not limited to:
 - (a) 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;
 - (b) a declared moratorium, standstill, waiver, deferral, repudiation or rescheduling of any principal, interest or other amounts due in respect of such Benchmark Obligation; or
 - (c) 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;

- (ii) **“Price Materiality”**, which means the Primary Rate specified in the applicable Final Terms differs from the Secondary Rate specified in the applicable Final Terms by at least the Price Materiality Percentage;
- (iii) **“Currency Replacement”**, which means a relevant currency ceases to exist and is replaced by a new currency in a relevant jurisdiction;
- (iv) **“Dual Exchange Rate”**, which means a Synthetic Currency FX Rate splits into dual or multiple currency exchange rates;
- (v) **“Governmental Authority Event”**, which means a Governmental Authority of a relevant jurisdiction has given public notice of its intention to impose any controls which are likely to materially affect the Issuer’s ability to hedge its obligations with respect to the Notes or to unwind any such hedge;
- (vi) **“Illiquidity”**, which means it is or becomes or is likely to become impossible or impracticable for the Issuer to obtain any currency or obtain or use the Synthetic Currency FX Rate in an appropriate amount;
- (vii) **“Inconvertibility”**, which means 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);
- (viii) **“Non-Transferability”**, which means 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
- (ix) **“Price Source Disruption”**, which means it becomes impossible or impracticable to obtain a Synthetic Currency FX Rate on or in respect of a Rate Calculation Date (or, if different, the day on which rates for that Rate Calculation Date would, in the ordinary course, be published or announced by the relevant price source).

“Synthetic Currency FX Rate” means either:

- (i) if **“Cross Rate”** is not specified in the applicable Final Terms to be applicable to such Synthetic Currency FX Rate:
 - (a) if **“ISDA Determination”** is specified to be applicable in the applicable Final Terms in respect of such Synthetic Currency FX Rate, the Spot Rate or Settlement Rate (as applicable) that would be determined by the Calculation Agent under an FX Transaction governed by an ISDA Master Agreement which incorporates the 1998 ISDA FX Definitions and under which:
 - (I) the Settlement Rate Option is as specified in the applicable Final Terms; and

- (II) the Rate Calculation Date is the applicable Rate Calculation Date; or
- (b) if “FX Price Source Determination” is specified to be applicable in the applicable Final Terms in respect of the Synthetic Currency FX Rate, the exchange rate of the Specified Currency into the Payment Currency (and, if the applicable Final Terms specify a Number of FX Settlement Days, for settlement in a number of FX Settlement Days equal to the Number of FX Settlement Days), which appears on the FX Price Source at approximately the applicable Synthetic Currency Valuation Time on the relevant Rate Calculation Date, provided that if the exchange rate which appears on the FX Price Source is the exchange rate for the conversion of the Payment Currency into the Specified Currency, the Synthetic Currency FX Rate shall be the reciprocal number (rounded, if Reciprocal Rounding is specified in the applicable Final Terms to be applicable in respect of the Synthetic Currency FX Rate, to the Number of Reciprocal Rounding Places, with half of the relevant unit being rounded upwards) of such exchange rate; or
- (ii) if “Cross Rate” is specified in the applicable Final Terms to be applicable to such Synthetic Currency FX Rate, the rate (rounded, if Cross Rate Rounding is specified in the applicable Final Terms to be applicable in respect of the Synthetic Currency FX Rate, to the Number of Cross Rate Rounding Places, with half of the relevant unit being rounded upwards) that would be achieved by converting an amount in the Specified Currency into the Crossing Currency using the Specified-Crossing Currency FX Rate and then converting the resultant amount from the Crossing Currency into the Payment Currency at the Crossing-Payment Currency FX Rate.

For the purposes of sub-paragraph (i)(a), “FX Transaction”, “Settlement Rate”, “Settlement Rate Option” and “Spot Rate” have the meanings given to them in the 1998 ISDA FX Definitions.

“**Synthetic Currency Valuation Time**” means the time specified as such in the applicable Final Terms or, if no time is specified as such, the time selected by the Calculation Agent.

“**Unscheduled Holiday**” means, in respect of a day, that such day is not a Synthetic Currency FX Business Day and the market was not aware of such fact (by means of a public announcement or reference to other publicly available information) until a time later than 9:00 a.m. local time in the Principal Financial Centre of the Specified Currency two Synthetic Currency FX Business Days prior to such day.

“**Yen Calculation Agent Determination**” has the meaning given to it in Synthetic Currency Asset Condition 2(b)(2)(vi).

(e) *Principal Financial Centres*

The “**Principal Financial Centre**” in respect of each Currency is the financial centre or centres specified as such in the applicable Final Terms, or if none is specified, the financial centre or centres indicated below with respect to such Currency:

Currency	Principal Financial Centre(s)
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
Ghanaian Cedi	Accra
Hong Kong Dollar	Hong Kong
Hungarian Forint	Budapest
Indian Rupee	Mumbai
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
Venezuelan Bolivar	Caracas
Vietnamese Dong	Hanoi and Singapore
Yen	Tokyo
Zambian Kwacha	Lusaka

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