



## NatWest Markets Plc

*(Incorporated in Scotland under Scots law on 31 October 1984 with limited liability under the Companies Acts 1948 to 1980, registered number SC090312)*

### **SECURED NOTE PROGRAMME**

**unconditionally and irrevocably guaranteed as to payments by**

**NatWest Markets Secured Funding LLP** *(a limited liability partnership incorporated in England and Wales)*

**and/or**

**RBS Secured Funding B.V.** *(incorporated with limited liability in the Netherlands)*

*and/or each other company specified as a Collateral Assets Company under a Collateral Assets Company Supplement (as defined below)*

#### **Base Prospectus**

NatWest Markets Plc (the **Issuer** or **NWM**) may issue Secured Notes under this programme (the **Programme**). This document (this **Base Prospectus**) supersedes and replaces in its entirety the base prospectus dated 28 February 2012. Save as provided in the applicable pricing supplement (the **Pricing Supplement**), any Secured Notes issued under the Programme on or after the date of this Base Prospectus are issued subject to the provisions herein. This does not affect any Secured Notes issued prior to the date of this Base Prospectus. In respect of each Series, NatWest Markets Secured Funding LLP, RBS Secured Funding B.V. and/or each other collateral assets company specified in the applicable Pricing Supplement (each, a **Collateral Assets Company** and, in the case of a Series of Secured Notes with more than one Collateral Assets Company, together the **Collateral Assets Companies**) will guarantee payments of interest and principal under the Secured Notes in respect of such Series pursuant to a guarantee (the **Secured Notes Guarantee**) which is secured over a portfolio of Collateral Assets (as defined below) in respect of such Series. In respect of a Series of Secured Notes, recourse against the relevant Collateral Assets Companies under the Secured Notes Guarantee is limited to the Collateral Assets and the other Mortgaged Property, in each case, in respect of such Series. In the event that a Series of Secured Notes requires a Collateral Assets Company other than NatWest Markets Secured Funding LLP or RBS Secured Funding B.V. to provide a Secured Notes Guarantee, a Collateral Assets Company Supplement (each, a **Collateral Assets Company Supplement**) shall be published which shall include appropriate disclosure in respect of such Collateral Assets Company.

The Conditions of the Secured Notes will comprise the terms and conditions of the Notes in the section entitled "Terms and Conditions of the Notes" of the Programme Document (as defined below) (the **Base Conditions**) as modified and/or supplemented by the Secured Notes Conditions, in each case, as supplemented in accordance with the applicable Pricing Supplement. The Base Prospectus, any supplemental Base Prospectus (a **Supplemental Base Prospectus**), the Programme Document, any supplemental Programme Document (a **Supplemental Programme Document**), any applicable Collateral Assets Company Supplement and the Pricing Supplement for a Series will comprise the offering documents (the **Offering Documents**) for such Series.

Application has been made to the Irish Stock Exchange Plc, now trading as Euronext Dublin (**Euronext Dublin**) for the Base Prospectus to be approved as listing particulars. Application has been made to Euronext Dublin for Notes issued under the Programme for the period of 12 months from the date of this Base Prospectus to be admitted to listing on its official list (the **Official List**) and trading on its Global Exchange Market. The Global Exchange Market is

not a regulated market for the purposes of Directive 2014/64/EU (as amended, **MiFID II**). This Base Prospectus constitutes a base listing particulars for the purpose of listing on the Official List and trading on the Global Exchange Market of Euronext Dublin. The Secured Notes may also be listed and admitted to trading, as the case may be, on such other or further stock exchange(s) or markets as may be specified in the applicable Pricing Supplement. The Issuer may also issue unlisted Secured Notes and/or Secured Notes not admitted to trading on any market. However this Base Prospectus is not a prospectus for purposes of Regulation (EU) 2017/1129 (the **Prospectus Regulation**) or the Prospectus Regulation as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (**EUWA**). Secured Notes may be issued in the form of a Pricing Supplement or, where additional information is required by the listing rules of the Global Exchange Market of Euronext Dublin or any other stock exchange, by means of a supplement to this Base Prospectus or a listing particulars (a **Drawdown Document**).

As at the date of this Base Prospectus: (i) long-term senior obligations of NWM are rated "A-" by S&P Global Ratings Europe Limited (**S&P**), "A3" by Moody's Investors Service Ltd. (**Moody's**), "A+" by Fitch Ratings Ltd. (**Fitch**) and "A" by Japan Credit Rating Agency Ltd. (**JCR**); and (ii) short-term obligations of NWM are rated "A-2" by S&P, "P-2" by Moody's and "F12" by Fitch. The rating of certain Series of Secured Notes to be issued under the Programme may be specified in the applicable Pricing Supplement. Whether or not each credit rating applied for in relation to relevant Series of Secured Notes will be issued by a credit rating agency established in the European Union or the United Kingdom and registered under Regulation (EC) No 1060/2009 (as amended) (the **CRA Regulation**) or Regulation (EC) No 1060/2009 as it forms part of domestic law by virtue of the EUWA (the **UK CRA Regulation**), as applicable, will be disclosed in the Pricing Supplement. Please also refer to "Credit Ratings" in the Risk Factors section of this Base Prospectus. Where an issue of Secured Notes is rated, its rating will not necessarily be the same as the rating applicable to the Issuer. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency.

***Prospective purchasers of Secured Notes should ensure that they understand the nature of the relevant Secured Notes and the extent of their exposure to risks and that they consider the suitability of the Secured Notes as an investment in the light of their own circumstances and financial condition. It is the responsibility of prospective purchasers to ensure that they have sufficient knowledge, experience and professional advice to make their own legal, financial, tax, accounting and other business evaluation of the merits and risks of investing in the Secured Notes and are not relying on the advice of the Issuer, the Arranger, the Dealer, the Trustee or any Distributor in that regard. See section on Risk Factors.***

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

*Arranger and Dealer*

**NatWest Markets Plc** 30 March 2021

The Issuer and each Collateral Assets Company accepts responsibility for the information contained in this Base Prospectus. To the best of the knowledge of the Issuer and each Collateral Assets Company, having taken all reasonable care to ensure that such is the case, the information contained in this Base Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

Unless otherwise specified in the applicable Pricing Supplement, neither the Issuer nor any Collateral Assets Company will be providing any post issuance information in relation to the Secured Notes.

Neither the Issuer nor any Collateral Assets Company will be obliged to gross up any payments in respect of any Secured Notes nor will they be liable for or otherwise obliged to pay any tax, duty, withholding or other payment which may arise as a result of the ownership, or transfer of any Secured Note and all payments made by the Issuer or any Collateral Assets Company shall be made subject to any such tax, duty, withholding or other payment which may be required to be made, paid, withheld or deducted.

The Secured Notes are being offered and sold outside the United States to non-US persons (**Regulation S Notes**) in reliance on Regulation S (**Regulation S**) under the United States Securities Act of 1933 (the **Securities Act**). For a description of these and certain further restrictions on offers, sales and transfers of Secured Notes and distribution of the Offering Documents (as defined above) see the sections entitled "Subscription and Sale" of the Programme Document, "Subscription and Sale" of the Base Prospectus and in any applicable Pricing Supplement.

The Secured Notes have not been, and will not be, registered under the Securities Act and, if in bearer form, will be subject to U.S. tax law requirements. Subject to certain exceptions, Secured Notes may not be offered, sold or delivered within the United States or to U.S. persons.

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

Neither the Arranger, the Trustee nor the Dealer has separately verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility is accepted by the Arranger, the Trustee, or the Dealer as to the accuracy or completeness of the information contained in this Base Prospectus or any financial statements or any other information provided by the Issuer in connection with the Secured Notes.

No person has been authorised by the Issuer to give any information or to make any representation not contained in or which is inconsistent with this Base Prospectus or any financial statements or any other information supplied in connection with the Secured Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Arranger, the Dealer or the Trustee.

None of this Base Prospectus, any Supplemental Base Prospectus, the Programme Document, any Supplemental Programme Document or any Pricing Supplement is, nor does it purport to be, investment advice. Unless expressly agreed otherwise with a particular investor, none of the Issuer, the Arranger, any Collateral Assets Company or the Dealer is acting as an investment adviser or providing advice of any other nature, or assumes any fiduciary obligation, to any investor in Secured Notes.

Neither this Base Prospectus nor any financial statements or any other information supplied in connection with the Secured Notes (i) is intended to provide the basis of any credit or other evaluation or (ii) should be considered as a recommendation by the Issuer, the Arranger, any Collateral Assets Company, the Dealer or the Trustee that any recipient of this Base Prospectus should purchase any Secured Notes. Each investor contemplating purchasing any Secured Notes should make its own

independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer and of the suitability of the relevant Secured Notes as an investment in the light of its own circumstances and financial condition. Neither this Base Prospectus nor any document incorporated by reference in this Base Prospectus constitutes an offer or invitation by or on behalf of the Issuer, the Arranger, any Collateral Assets Company, the Dealer or the Trustee to any person to subscribe for or to purchase any Secured Notes.

The applicable Pricing Supplement will (if applicable) specify the nature of the responsibility taken by the Issuer and relevant Collateral Assets Company for the information relating to any Collateral Asset on which payments of interest and principal under the Secured Notes are secured and which is contained in such Pricing Supplement. Investors should conduct their own investigations into the relevant Collateral Asset(s) and, in deciding whether to purchase Secured Notes, investors should form their own views of the merits of such an investment based upon such investigations and not in reliance solely upon any information given in this Base Prospectus and/or any applicable Pricing Supplement.

The delivery of any of the Offering Documents and any sale of Secured Notes pursuant thereto shall not at any time imply that the information contained in this Base Prospectus concerning the Issuer and each Collateral Assets Company is correct at any time subsequent to the date of this Base Prospectus or that any other information supplied in connection with the Secured Notes is correct as of any time subsequent to the date indicated in the document containing the same.

None of the Issuer, the Arranger, any Collateral Assets Company, the Dealer or the Trustee represent that this Base Prospectus may be lawfully distributed, or that the Secured Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer, the Arranger, any Collateral Assets Company, the Dealer or the Trustee which would permit a public offering of any Secured Notes or distribution of this Base Prospectus in any jurisdiction where action for that purpose is required other than in the jurisdiction, specified in the applicable Pricing Supplement, in which such Secured Notes are to be offered (the **Offering Jurisdiction**). Accordingly, the Secured Notes may not be offered or sold, directly or indirectly, and neither this Base Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations.

The distribution of this Base Prospectus and the offer or sale of Secured Notes may be restricted by law in certain jurisdictions. Persons into whose possession this Base Prospectus or any Secured Notes come must inform themselves about, and observe, any such restrictions.

THE PURCHASE OF SECURED NOTES MAY INVOLVE SUBSTANTIAL RISKS AND MAY BE SUITABLE ONLY FOR INVESTORS WHO HAVE THE KNOWLEDGE AND EXPERIENCE IN FINANCIAL AND BUSINESS MATTERS NECESSARY TO ENABLE THEM TO EVALUATE (EITHER ALONE OR WITH THE HELP OF A FINANCIAL ADVISER) THE RISKS AND THE MERITS OF AN INVESTMENT IN THE SECURED NOTES. PRIOR TO MAKING AN INVESTMENT DECISION, PROSPECTIVE INVESTORS SHOULD CONSIDER CAREFULLY, IN LIGHT OF THEIR OWN FINANCIAL CIRCUMSTANCES AND INVESTMENT OBJECTIVES, (I) ALL THE INFORMATION SET FORTH IN THIS BASE PROSPECTUS (INCLUDING ANY SUPPLEMENTS HERETO AND DOCUMENTS INCORPORATED BY REFERENCE HEREIN) AND, IN PARTICULAR, THE CONSIDERATIONS SET FORTH IN "RISK FACTORS" BELOW AND (II) ALL THE INFORMATION SET FORTH IN THE APPLICABLE PRICING SUPPLEMENT. PROSPECTIVE INVESTORS SHOULD MAKE SUCH ENQUIRIES AS THEY DEEM NECESSARY WITHOUT RELYING ON THE ISSUER, THE TRUSTEE OR ANY DEALER.

AN INVESTMENT IN SECURED NOTES LINKED TO ONE OR MORE REFERENCE ITEMS (IF ANY) MAY ENTAIL SIGNIFICANT RISKS NOT ASSOCIATED WITH INVESTMENTS IN A CONVENTIONAL DEBT SECURITY, PLEASE REFER TO "RISK FACTORS" BELOW. THE AMOUNT PAID BY THE ISSUER ON REDEMPTION OF THE SECURED NOTES MAY BE LESS THAN THE NOMINAL AMOUNT OF THE SECURED NOTES, TOGETHER WITH ANY ACCRUED INTEREST, AND MAY IN CERTAIN CIRCUMSTANCES BE ZERO. WHERE THE SECURED 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 SECURED NOTES, TOGETHER WITH ANY ACCRUED INTEREST, AND MAY IN CERTAIN CIRCUMSTANCES (SUCH AS UPON EARLY REDEMPTION IN ACCORDANCE WITH CONDITION 5) BE ZERO. CERTAIN ISSUES OF SECURED NOTES INVOLVE A HIGH DEGREE OF RISK AND POTENTIAL INVESTORS SHOULD BE PREPARED TO SUSTAIN A LOSS OF ALL OR PART OF THEIR INVESTMENT.

PROSPECTIVE INVESTORS MUST REVIEW THE APPLICABLE PRICING SUPPLEMENT TO ASCERTAIN WHAT THE RELEVANT REFERENCE ITEM(S) ARE AND TO SEE HOW THE FINAL REDEMPTION AMOUNT AND ANY INTEREST PAYMENTS ARE DETERMINED AND WHEN ANY SUCH AMOUNTS ARE PAYABLE AND/OR DELIVERABLE, BEFORE MAKING ANY DECISION TO PURCHASE REFERENCE ITEM LINKED NOTES.

PROSPECTIVE INVESTORS IN REFERENCE ITEM LINKED NOTES SHOULD UNDERSTAND THE RISKS OF TRANSACTIONS INVOLVING SUCH SECURED NOTES AND REACH AN INVESTMENT DECISION ONLY AFTER CAREFUL CONSIDERATION, WITH THEIR ADVISERS, OF THE SUITABILITY OF SUCH SECURED NOTES IN LIGHT OF THEIR PARTICULAR FINANCIAL CIRCUMSTANCES, THE INFORMATION SET FORTH HEREIN (INCLUDING ANY SUPPLEMENTS HERETO AND DOCUMENTS INCORPORATED BY REFERENCE HEREIN) AND THE INFORMATION REGARDING SUCH SECURED NOTES AND THE RELEVANT REFERENCE ITEM(S).

An investment in the Secured Notes may give rise to higher yields than a bank deposit placed with NWM or with any other deposit-taking entity in the RBS Group (as defined below) (a **Bank Deposit**). However, an investment in the Secured Notes carries risks which are very different from the risk profile of a Bank Deposit. The Secured Notes are expected to have greater liquidity than a Bank Deposit since Bank Deposits are generally not transferable. However, the Secured Notes may have no established trading market when issued, and one may never develop. See further "Risk Factors – Risk Factors relating to the Notes - Risks relating to the market generally – Possible illiquidity of the Notes in the Secondary Market" in the Programme Document. Investments in the Secured Notes do not benefit from any protection provided pursuant to Directive 2014/49/EU of the European Parliament and of the Council on deposit guarantee schemes or any UK or other national implementing measures implementing this Directive or providing for deposit protection. Therefore, if the Issuer becomes insolvent or defaults on its obligations, investors investing in such Secured Notes in a worst case scenario could lose their entire investment. Further, as a result of the implementation of the BRRD (as defined below), holders of the Secured Notes may be subject to write-down or conversion into equity on any application of the general bail-in tool and non-viability loss absorption, which may result in such holders losing some or all of their investment. See further "Risk Factors – Risk Factors relating to the Notes – Risks relating to the Notes generally – Instruments issued by the Issuer may be written down or converted into ordinary shares, or bailed-in" in the Programme Document.

The Commissioners of Her Majesty's Treasury (**HM Treasury**) have neither reviewed this Base Prospectus nor verified the information contained in it, and HM Treasury makes no representation with respect to, and does not accept any responsibility for, the contents of this Base Prospectus or any other statement made or purported to be made on its behalf in connection with the Issuer or the issue and offering of the Secured Notes by the Issuer. HM Treasury accordingly disclaims all and any liability,

whether arising in tort or contract or otherwise, which it might otherwise have in respect of this Base Prospectus or any such statement.

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

**UK MiFIR product governance / target market** - The Pricing Supplement in respect of any Secured Notes (or any base prospectus, as the case may be) may include a legend entitled "UK MiFIR Product Governance" which will outline the target market assessment in respect of the Secured Notes and which channels for distribution of the Secured Notes are appropriate. Any person subsequently offering, selling or recommending the Secured 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 Secured Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

#### **IMPORTANT – EUROPEAN ECONOMIC AREA RETAIL INVESTORS**

If the applicable Pricing Supplement in respect of any Secured Notes includes a legend entitled "Prohibition of Sales to EEA Retail Investors", the Secured Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (EEA). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II or (ii) a customer within the meaning of Directive (EU) 2016/97 (the Insurance Distribution Directive), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the PRIIPs Regulation) for offering or selling the Secured Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Secured Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

#### **IMPORTANT – UK RETAIL INVESTORS**

If the applicable Pricing Supplement in respect of any Secured Notes includes a legend entitled "Prohibition of Sales to UK Retail Investors", the Secured Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (UK). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA or (ii) a customer within the meaning of the Financial Services and Markets Act 2000 (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) 600/2014 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the UK PRIIPs Regulation) for offering or selling the Secured Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or

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

**PRODUCT CLASSIFICATION PURSUANT TO SECTION 309B OF THE SECURITIES AND FUTURES ACT (CHAPTER 289 OF SINGAPORE)**

The applicable Pricing Supplement in respect of any Secured Notes may include a legend entitled "Singapore Securities and Futures Act Product Classification" which will state the product classification of the Secured Notes pursuant to section 309B(1) of the Securities and Futures Act (Chapter 289 of Singapore) (the "**SFA**"). The Issuer will make a determination in relation to each issue about the classification of the Secured Notes being offered for purposes of section 309B(1)(a). Any such legend included on the applicable Pricing Supplement will constitute notice to "relevant persons" for purposes of section 309B(1)(c) of the SFA.

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

## TABLE OF CONTENTS

DOCUMENTS INCORPORATED BY REFERENCE .....	9
OVERVIEW .....	13
RISK FACTORS .....	22
SUMMARY OF THE PRINCIPAL SECURED NOTES DOCUMENTS .....	45
ADDITIONAL TERMS AND CONDITIONS OF THE SECURED NOTES .....	58
FORM OF PRICING SUPPLEMENT .....	67
ANNEX .....	138
DESCRIPTION OF NATWEST MARKETS SECURED FUNDING LLP .....	139
DESCRIPTION OF RBS SECURED FUNDING B.V. ....	142
GENERAL INFORMATION .....	144

## DOCUMENTS INCORPORATED BY REFERENCE

This Base Prospectus should be read and construed in conjunction with the following documents, except the documents incorporated by reference therein and each of the following documents shall be deemed to be incorporated and form part of this Base Prospectus:

- (a) the Programme Document dated 4 December 2020 relating to the Issuer's U.S.\$7,000,000,000 Structured Note Programme (excluding the sections entitled "Overview of the Programme and Terms and Conditions of the Notes", "Documents Incorporated by Reference", and "Form of Pricing Supplement") as supplemented by the supplement dated 8 March 2021 to the Programme Document dated 4 December 2020 relating to the Structured Note Programme (the **Programme Document**);
- (b) the unaudited Q3 2020 Interim Management Statement of NWM Group (the **NWM Group Q3 2020 IMS**) which was published via the regulated news service of the London Stock Exchange plc (**RNS**) on 30 October 2020;
- (c) the unaudited interim results of the NWM Group for the six months ended 30 June 2020 (the **NWM Group Interim Results 2020**), which were published via RNS on 31 July 2020;
- (d) the following sections of the Registration Document dated 13 May 2020 relating to the Issuer (excluding the section entitled "Documents Incorporated by Reference" on page 1), which was published via the regulated news service of the London Stock Exchange plc (**RNS**) on 13 May 2020, as supplemented by the first supplementary registration document dated 11 June 2020 (the **1<sup>st</sup> Supplementary Registration Document**), the second supplementary registration document dated 31 July 2020, which was published via RNS on 31 July 2020 (the **2<sup>nd</sup> Supplementary Registration Document**) (together, the **Registration Document**) and the third supplementary registration document dated 19 November 2020, which was published via RNS on 19 November 2020 (the **3<sup>rd</sup> Supplementary Registration Document**):
  - (i) Important Information for Investors on pages 2 to 11;
  - (ii) Risk Factors on pages 12 to 38;
  - (iii) Selected Consolidated Financial Information and Other Data on pages 39 to 41;
  - (iv) Operating and Financial Review on pages 42 to 105;
  - (v) Description of the NWM Group on pages 106 to 121;
  - (vi) Selected Statistical Data and Other Information on pages 122 to 131;
  - (vii) Risk Management on pages 132 to 190;
  - (viii) Regulation and Supervision on pages 191 to 197;
  - (ix) Management and Shareholdings on pages 198 to 203; and
  - (x) Related Party Transactions on page 204;
- (e) the audited consolidated financial statements of the NWM Group, together with the audit report thereon, for the year ended 31 December 2019, set forth in the section entitled "Financial Statements" on pages 69 to 142 and the section entitled "Capital Risk Management" on pages 22 to 63 (except information identified as "unaudited") of the NWM

Group's annual report, (the **2019 Annual Report and Accounts of NatWest Markets**), which were published via the RNS on 14 February 2020:

- (f) The audited consolidated financial statements of the NWM Group, together with the audit report thereon, for the year ended 31 December 2018, set forth in the section entitled "Financial Statements" on pages 52 to 123 and the section entitled "Capital and Risk Management" on pages 10 to 48 (except information identified as "unaudited") of NWM Group's annual report, (the **2018 Annual Report and Accounts of NatWest Markets**), which were published via the RNS on 15 February 2019;
- (g) the following sections of the 2020 Annual Report and Accounts of NWM Group (the "**2020 Annual Report and Accounts of NWM Group**"), which were published via the regulatory news service of the London Stock Exchange plc on 19 February 2021:
  - (i) Strategic report on pages 3 to 27:
    - 2020 performance highlights on page 3;
    - Chief Executive's statement on pages 4 to 5;
    - Building a Purpose-led bank on page 6;
    - Our business and operations on page 7;
    - Supporting customers on pages 8 to 9;
    - Operating environment on pages 10 to 11;
    - Our colleagues on page 12;
    - Outlook on page 13;
    - Risk overview on pages 14 to 17; and
    - Board engagement with our stakeholders on pages 18 to 19; and
    - Climate-related disclosures on pages 20 to 27;
  - (ii) Financial review on pages 28 to 33:
    - Presentation of information on page 28;
    - Performance overview on pages 28 to 28;
    - The impact of COVID-19 on page 29;
    - NWM Group business review on pages 30 to 32; and
    - Board of directors and secretary on page 33;
  - (iii) Risk and capital management on pages 34 to 79:
    - Presentation of information on page 34;
    - Update on COVID-19 on page 34;
    - Risk management framework on pages 34 to 40;
    - Market risk on pages 41 to 46;

- Capital, liquidity and funding risk on pages 47 to 52;
  - Credit risk on pages 53 to 70;
  - Pension risk on page 71;
  - Compliance & conduct risk on pages 71 to 72;
  - Financial crime risk on page 72;
  - Climate-related risk on page 73;
  - Operational risk on pages 73 to 74;
  - Model risk on pages 74 to 75; and
  - Reputational risk on page 75;
- (iv) Report of the directors on pages 76 to 78;
- (v) Statement of directors' responsibilities on page 79;
- (vi) Financial statements on pages 80 to 154:
- Independent auditor's report on pages 81 to 88;
  - Consolidated income statement for the year ended 31 December 2020 on page 89;
  - Consolidated statement of comprehensive income for the year ended 31 December 2020 on page 89;
  - Balance sheet as at 31 December 2020 on page 90;
  - Statement of changes in equity for the year ended 31 December 2020 on page 91;
  - Cash flow statement for the year ended 31 December 2020 on page 92;
  - Accounting policies on pages 93 to 97; and
  - Notes on the accounts on pages 98 to 154;
- (vii) Non-IFRS measures on page 155;
- (viii) Risk Factors on pages 156 to 172; and
- (ix) Forward looking statements on page 173,
- (h) the announcement entitled "The Royal Bank of Scotland Group plc – changes name to NatWest Group plc (the **NatWest Group Change Announcement**)", which was published via the RNS on 22 July 2020;
- (i) the announcement entitled "The Royal Bank of Scotland Group plc – RBS and NatWest Markets announce appointments", which was published via the RNS on 11 June 2020;
- (j) the section headed "Terms and Conditions of the Notes" in the programme document dated 24 February 2020 relating to the Issuer's U.S.\$7,000,000,000 Structured Note Programme, in so far as such section relates to any Secured Notes (if so specified in the applicable Pricing Supplement);

- (k) the section headed “Terms and Conditions of the Notes” in the programme document dated 22 February 2019 relating to the Issuer’s U,S,\$7,000,000,000 Structured Note Programme, in so far as such section relates to any Secured Notes (if so specified in the applicable Pricing Supplement);
- (l) the section headed “Terms and Conditions of the Notes” in the programme document dated 5 March 2018 relating to the Issuer’s U,S,\$7,000,000,000 Structured Note Programme, in so far as such section relates to any Secured Notes (if so specified in the applicable Pricing Supplement) (the **2018 Programme Document**);
- (m) the Annex to the supplement to the 2018 Programme Document dated 22 August 2018 (which amended the terms and conditions set out in the 2018 Programme Document in order to incorporate updated benchmark replacement provisions),

each of which shall be deemed to be incorporated in, and form part of, this Base Prospectus.

Where only certain sections of a document referred to above are incorporated by reference into this Base Prospectus, the parts of the document which are not incorporated by reference are either not relevant for prospective investors or are covered elsewhere in this Base Prospectus. In addition, where sections of any of the above documents which are incorporated by reference into this Base Prospectus cross-reference other sections of the same document, such cross-referenced information shall not form part of this Base Prospectus, unless otherwise incorporated by reference herein.

Any document which is incorporated by reference into any of the documents deemed to be incorporated by reference in, and form part of, this Base Prospectus shall not constitute a part of this Base Prospectus.

The Issuer will provide, without charge, to each person to whom a copy of this Base Prospectus has been delivered, upon the oral or written request of such person, a copy of any or all of the financial information which is incorporated herein by reference. Written or oral requests for such financial information should be directed to the Issuer at its principal office set out at the end of this Base Prospectus.

In addition, copies of documents incorporated by reference in this Base Prospectus will be available for viewing on the website of the Issuer at <https://investors.natwestgroup.com/regulatory-news/company-announcements> and on the London Stock Exchange plc’s website at <https://www.londonstockexchange.com/news?tab=news-explorer>.

Please note that websites and urls referred to herein do not form part of this Base Prospectus.

The Issuer will, in the event of any significant change affecting any matter contained in this Base Prospectus, or a significant new matter arising, the inclusion of information in respect of which would have been so required if it had arisen at the time of preparation of the Base Prospectus, prepare or publish a new or supplemental listing particulars for use in connection with any subsequent issue of Listed Secured Notes.

## OVERVIEW

### NatWest Markets Plc (the Issuer)

#### Secured Notes

The following overview is qualified in its entirety by the remainder of the Base Prospectus, and in relation to the terms and conditions of any Series of Secured Notes, the applicable Pricing Supplement. Terms defined in "Risk Factors" and "Terms and Conditions of the Secured Notes" shall have the same meanings in this overview

#### Description of the Issuer

The Issuer is a public limited company incorporated in Scotland with registration number SC090312 and was incorporated under Scots law on 31 October 1984. The Issuer is a wholly-owned subsidiary of The Royal Bank of Scotland Group plc (**RBSG**, together with its subsidiary and associated undertakings, the **RBS Group**), a banking and financial services group. The Issuer provides corporate and institutional customers with financing and risk management solutions, with a focus on rates, currencies and financing products.

In 2018 the RBS Group undertook a reorganisation of its group legal entity structure and business model in order to comply with legislation passed by the UK Government requiring that banks separate their retail banking activities from their investment banking activities. Following the reorganisation, the RBS Group has been split into ring-fenced entities, which among other things carry out retail banking activities, and non-ring-fenced entities, which solely carry out non-retail banking activities. Following the reorganisation, the Issuer and its subsidiaries consolidated in accordance with International Financial Reporting Standards (together, the **NWM Group**) is composed exclusively of non-ring-fenced entities. Consequently, activities that the legislation prohibits from being performed by a non-ring-fenced entity are no longer carried out by entities that are members of the NWM Group. Further information regarding the RBS Group's ring-fencing structure and the impact relating to NatWest Markets can be found in the 2018 Annual Report and Accounts of NatWest Markets (as referred to in, and incorporated by reference into, this Base Prospectus), including at page 2 of the 2018 Annual Report and Accounts of NatWest Markets (under the heading "*UK ring-fencing*").

The long-term, unsecured and unsubordinated debt obligations of the Bank are rated "A-" by S&P, "A+" by Fitch, "A3" by Moody's and "A" by JCR.

The most recent financial statements of the Issuer are in respect of the year ended 31 December 2020.

There has been no significant change in the financial position of the NWM Group taken as whole since 31 December 2020.

Save as disclosed in the sections entitled (a) "*Risks relating to the COVID-19 pandemic*" on pages 156 to 157 of the 2020 Annual Report and Accounts of NWM Group and (b) "*Risk and capital management – Credit risk*" on pages 53 to 70 of the 2020 Annual Report and Accounts of NWM Group, there has been no material adverse change in the prospects of the Issuer since 31 December 2020.

## **PART A RISK FACTORS**

### **I. THE ISSUER**

Investors are exposed to the credit risk of the Issuer. If the Issuer fails or becomes insolvent, investors may lose some or all of their investment.

The principal risk factors that may affect the Issuer's ability to fulfil its obligations under the Secured Notes are discussed under "Risk Factors" below.

### **II. SECURED NOTES**

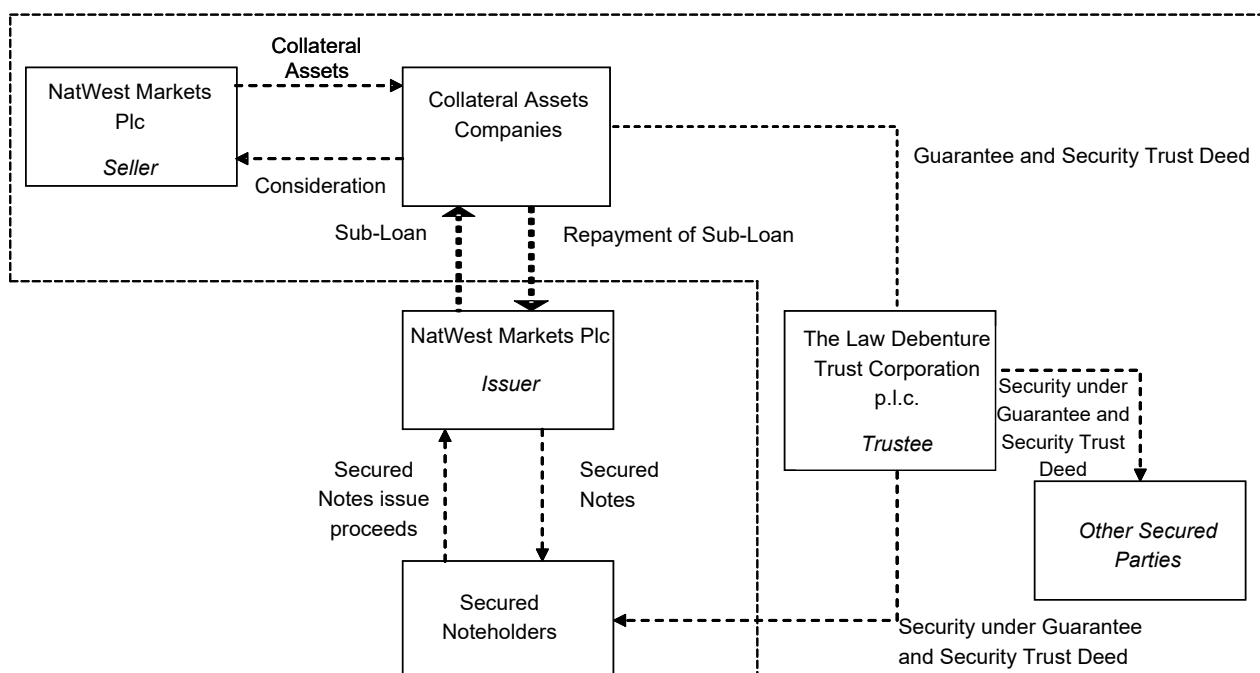
- Secured Notes may involve a high degree of risk.
- There are certain material factors relevant to assessing the risks associated with investing in Secured Notes, including, without limitation, a time lag between valuation and settlement, potential conflicts of interest, that the trading activities of the Issuer and its affiliates may affect the return on Secured Notes, that market disruptions or other events may occur in respect of any relevant asset or reference item, taxation risks, a substitution of an obligor, illiquidity of the Secured Notes in the secondary market, illegality of the performance of an obligor's obligations under the Secured Notes, exchange rate risks and exchange controls and that the market value of the Secured Notes may be affected by the creditworthiness of the Issuer or the RBS Group or the Collateral Assets.
- Prospective investors in Secured Notes should understand the risks of transactions involving such Secured Notes and reach an investment decision only after careful consideration, with their advisers, of the suitability of such Secured Notes in light of their particular financial circumstances, the information set forth herein and the other information regarding such Secured Notes and the relevant reference item(s) (if any).
- Holders of Secured Notes will be exposed to credit, market and liquidity risks in respect of the Collateral Assets.
- The Security for the Secured Notes Guarantee will be limited to the Collateral Assets held by each relevant Collateral Assets Company in respect of the relevant Series and the other Mortgaged Property in respect of the relevant Series. If the realisation proceeds of the Collateral Assets held by each relevant Collateral Assets Company in respect of the relevant Series and the other Mortgaged Property in respect of the relevant Series is insufficient to meet the claims of all the Secured Parties, including the holders of the Secured Notes, any shortfall will be borne by the Secured Noteholders in accordance with the Security Priority. During

any period prior to a Collateralisation Date or following any Decollateralisation Date, if specified in the applicable Pricing Supplement, the Collateral Assets Companies will not hold any Collateral Assets. As a result, the Secured Notes Guarantee is likely to be of no value during such periods.

- The Collateral Assets may comprise illiquid assets and it may be difficult to accurately and reliably value such Collateral Assets. Margin maintenance may be conducted on the basis of par value or model valuations and/or valuations ascribed to different assets or indices.
- Significant risks and limitations exist with respect to those Collateral Assets transferred by way of declaration of trust, such as set-off and commingling risk.

## PART B GENERAL DESCRIPTION

### Structure Diagram in respect of Secured Notes



### Description:

Programme for the issue of securities that are Secured Notes (**Secured Notes**).

Secured Notes are issued pursuant to the Trust Deed and the relevant Constituting Instrument.

Unless otherwise specified in the applicable Pricing Supplement, each relevant Collateral Assets Company will grant security to

the Trustee, on behalf of the Secured Noteholders and the other Secured Parties, pursuant to the applicable Guarantee and Security Trust Deed to secure its obligations under the Secured Notes Guarantee in respect of the relevant Series of Secured Notes, the relevant Transfer Agreement(s) and the applicable Sub-Loan Agreement.

The terms of the Secured Notes comprise the Secured Notes Conditions, as modified and supplemented by the Pricing Supplement. In respect of a Series of Secured Notes, a Constituting Instrument will be entered into which will constitute the relevant Secured Notes Documents (as defined below) in respect of such Series.

<b>Arranger:</b>	NatWest Markets Plc
<b>Dealer:</b>	NatWest Markets Plc
<b>Agent:</b>	The Bank of New York Mellon, London Branch, or such other person as specified in the applicable Pricing Supplement.
<b>Registrar:</b>	<p>In respect of Secured Notes cleared through CREST, Computershare Investor Services PLC, or such other person as specified in the applicable Pricing Supplement.</p> <p>In respect of Secured Notes not cleared through CREST, The Bank of New York Mellon S.A./N.V., Luxembourg Branch or such other person as specified in the applicable Pricing Supplement.</p>
<b>Maturities:</b>	As specified in the applicable Pricing Supplement.
<b>Issue Price:</b>	Secured Notes may be issued on a fully or partly paid basis and at par or at a discount to, or premium over, par.
<b>Form of Notes:</b>	Secured Notes will be in bearer or registered form. Registered Notes will not be exchangeable for Bearer Notes and vice versa.
<b>Clearing Systems:</b>	Euroclear and/or Clearstream, Luxembourg and/or any other clearing system as may be specified in the applicable Pricing Supplement including, but not limited to, the dematerialised and uncertificated securities trading system operated by CREST.
<b>Redemption:</b>	The applicable Pricing Supplement will indicate either that the Secured Notes cannot be redeemed prior to their stated maturity (except in specified circumstances) or that they will be redeemable prior to such stated maturity at the option of the Issuer and/or Secured Noteholders upon notice to the other party, at such price or prices and on such terms, as specified in the applicable Pricing Supplement.
<b>Denomination of Secured Notes:</b>	As specified in the applicable Pricing Supplement.
<b>Status of the Secured Notes:</b>	Secured Notes will constitute direct, unconditional, unsecured and unsubordinated obligations of the Issuer.
<b>Rating:</b>	Secured Notes may be rated or unrated.

**Listing and admission to trading:** Application has been made to the Irish Stock Exchange Plc, now trading as Euronext Dublin (**Euronext Dublin**) for Secured Notes issued under the Programme for the period of 12 months from the date of this Base Prospectus to be admitted to listing on its official list (the **Official List**) and trading on its Global Exchange Market.

Secured Notes may be listed or admitted to trading on other or additional stock exchanges or markets as specified in the applicable Pricing Supplement. Secured Notes which are neither listed nor admitted to trading on any market may also be issued.

**Governing Law:** English law.

**Selling Restrictions:** See "Subscription and Sale".

**Transfer Restrictions:** There are restrictions on the transfer of Notes sold pursuant to Regulation S under the Securities Act prior to the expiration of the relevant distribution compliance period

## **PART C SECURED NOTES**

### **I. GENERAL**

**Collateral Assets Company:**

- (a) NatWest Markets Secured Funding LLP, a limited liability partnership incorporated under the laws of England and Wales;
- (b) RBS Secured Funding B.V. incorporated with limited liability in the Netherlands; and
- (c) each other company specified as a relevant Collateral Assets Company in the applicable Pricing Supplement (in respect of which a Collateral Assets Company Supplement shall be published).

**Trustee:** The Law Debenture Trust Corporation p.l.c. has been appointed as Trustee to hold the benefit of the security granted by each relevant Collateral Assets Company (for itself, the Secured Noteholders and the other Secured Parties under the Guarantee and Security Trust Deed).

**Custodian:** Any custodian appointed by the relevant Collateral Assets Company from time to time pursuant to the Collateral Agency Agreement and specified in the applicable Pricing Supplement.

**Collateral Account Bank:** Any collateral account bank specified in the applicable Pricing Supplement. In respect of each Series, the Collateral Account Bank (if any) may, from time to time, open one or more Series Accounts in the name of any relevant Collateral Assets Company.

**Secured Notes Guarantee:** The payment of principal and interest in respect of the Secured Notes will be unconditionally, irrevocably, jointly and severally guaranteed as principal obligors by the relevant Collateral Assets Companies under a Secured Notes Guarantee in respect of the

	applicable Series of Secured Notes.
<b>Guaranteed Amounts:</b>	All amounts payable in respect of the relevant Series of Secured Notes when the same shall become due.
<b>Status of the Secured Notes Guarantee:</b>	The obligations of each relevant Collateral Assets Company under the Secured Notes Guarantee constitute direct, unsubordinated and secured obligations of such Collateral Assets Company and will rank <i>pari passu</i> without preference amongst themselves.
<b>Security:</b>	Unless otherwise specified in the applicable Pricing Supplement, each relevant Collateral Assets Company will grant to the Trustee, on behalf of the Secured Noteholders and the other Secured Parties, security over, <i>inter alia</i> , all of its rights in respect of the Collateral Assets for each Series pursuant to the applicable Guarantee and Security Trust Deed to secure its obligations under the relevant Series of Secured Notes, the relevant Transfer Agreement(s) and the applicable Sub-Loan Agreement.
<b>Security Priority:</b>	All amounts received by the Trustee upon realisation of, or enforcement with respect to, the security constituted by or pursuant to the Security Documents in respect of a Series shall be applied in accordance with the Security Priority as set out in the section entitled " <i>Summary of the Guarantee and Security Trust Deed</i> ", unless otherwise specified in the applicable Pricing Supplement.
<b>Event of Default:</b>	The Security will become immediately enforceable upon the service of a Notice to Pay by the Trustee following the delivery of an Acceleration Notice by the Trustee in accordance with Condition 19 ( <i>Events of Default</i> ) following the occurrence of an Event of Default. See further the section entitled " <i>Summary of the Guarantee and Security Trust Deed</i> ".
<b>Taxation in respect of the Secured Notes Guarantee:</b>	<p>The Issuer will not be obliged to gross up any payments in respect of the Secured Notes.</p> <p>The relevant Collateral Assets Companies will not be obliged to gross up any payments in respect of the Secured Notes Guarantee.</p> <p>The Secured Noteholders will therefore bear any withholding tax imposed on payments under the Secured Notes or the Secured Notes Guarantee through a reduction of the amounts payable under the Secured Notes or the Secured Notes Guarantee, as applicable, unless otherwise specified in the applicable Pricing Supplement.</p>
<b>Secured Notes Documents:</b>	The Collateral Transfer Agreement, the Declaration of Trust, the Guarantee and Security Trust Deed, any Additional Security Document, the Collateral Agency Agreement, the Sub-Loan Agreement and any other document specified as such in the applicable Pricing Supplement. The Issuer (acting as a borrower)

may also use such documentation in relation to loan facilities it enters into for which the Collateral Assets Companies provide the secured guarantee from time to time.

**Collateral Assets, the Eligibility Criteria and Concentration Limitation Criteria:**

A Collateral Asset shall include any Related Security in respect thereof. Each Collateral Asset must satisfy certain eligibility criteria and concentration limitation criteria. See further the section entitled "*Summary of the Collateral Transfer Agreement*".

**Collateral Asset Type:**

Loans, Bonds, Cash or Other Collateral Asset Types.

**Loan:**

A percentage equal to the Trust Proportion (being a percentage no greater than 100% as specified in the applicable Collateral Assets Report) of a secured or unsecured, senior or subordinated, syndicated or unsyndicated loan granted to a corporate or similar entity.

**Bond:**

A debt security.

**Cash:**

Cash standing to the credit of a Series Account in respect of a Series.

**Other Collateral Asset Type:**

In respect of a Series, each other collateral asset type specified as a Collateral Asset Type in the applicable Pricing Supplement and in respect of which a Drawdown Document may be published.

**Transfer Agreements:**

In respect of a Series, the Collateral Transfer Agreement, any Declaration of Trust entered into in connection with such Series and any other agreements specified as Transfer Agreements in the applicable Pricing Supplement.

## **II. COLLATERAL ASSETS TRANSFER**

**Overview:**

Each Series of Secured Notes will have the benefit of a Collateral Transfer Agreement under which the Seller and each relevant Collateral Assets Company will agree the terms governing the acquisition of the Collateral Assets relating to the Series by each such Collateral Assets Company and their repurchase at the maturity date of the Secured Notes or following a termination of the Collateral Transfer Agreement. The Collateral Transfer Agreement will contain margin maintenance and substitution provisions.

Where there is more than one relevant Collateral Assets Company specified in the Pricing Supplement in respect of such Series, the Collateral Assets Report will specify which Collateral Assets are transferred or acquired by which Collateral Assets Company on the applicable Collateral Assets Report Date. See further the section entitled "*Summary of the Collateral Transfer Agreement*" below.

**Declaration of Trust:**

Each Series of Secured Notes in respect of which the beneficial interest in the Trust Proportion in respect of some or all of the Collateral Assets is transferred under the Collateral Transfer

Agreement will be acquired by each relevant Collateral Assets Company by way of declaration of trust.

**Margin Maintenance:**

Unless the applicable Pricing Supplement (i) specifies that margin maintenance will not apply in respect of a Series or (ii) specifies a Collateralisation Date later than the Issue Date or a Decollateralisation Date meaning there will be one or more decollateralised periods or (iii) is in respect of a Euroclear Bond Collateral Series, the Seller will be obliged to ensure that the product of (a) the aggregate Collateral Value of Collateral Assets transferred to the relevant Collateral Assets Companies and (b) the Valuation Percentage is maintained at a level at least equal to the Collateralised Amount. For the purposes of such calculations any Collateral Assets which have been determined to be ineligible (including to the extent of any non-compliance with the Concentration Limitation Criteria) shall be deemed to have a Collateral Value of zero. See further the section entitled "*Summary of the Collateral Transfer Agreement*".

**Substitutions:**

Other than in respect of a Euroclear Bond Collateral Series, the Seller may on any date prior to the Repurchase Date, and the Seller shall on any Valuation Date on which any Collateral Assets do not satisfy the Eligibility Criteria and the Concentration Limitation Criteria, substitute Collateral Assets held by the relevant Collateral Assets Companies pursuant to the terms of the applicable Collateral Transfer Agreement, the Eligibility Criteria and the Concentration Limitation Criteria.

**Secured Noteholder Representative:**

Where the applicable Pricing Supplement specifies that a Secured Noteholder Representative is appointed, such entity may have certain powers to act on behalf of the Secured Noteholders, and if so specified may have the power to amend the Eligibility Criteria and Concentration Limitation Criteria.

**Euroclear Bond Collateral Series:**

In respect of any Euroclear Bond Collateral Series, margin maintenance and substitutions will be carried out by Euroclear in accordance with the applicable Collateral Services Agreement.

**Collateral Assets Report:**

On the Issue Date in respect of each Series and throughout the life of such Series, the Seller will deliver or procure the delivery of a report in the form set out in Annex 1 to the Collateral Transfer Agreement (a **Collateral Assets Report**) which will include the details of the Collateral Assets for such Series. See further the section entitled "*Summary of Collateral Transfer Agreement*".

**Administration of Valuations and Verifications:**

See the section entitled "*Summary of the Collateral Agency Agreement*" for details regarding the valuation, collateral verification and reporting provisions applicable to each Series.

**Purchaser:**

The relevant Collateral Assets Company specified in the applicable Collateral Assets Report in respect of the relevant Collateral Asset.

**Seller:**

NatWest Markets Plc

<b>Valuation Agent:</b>	NatWest Markets Plc
<b>Verification and Reporting Agent:</b>	The Bank of New York Mellon SA/NV, Dublin Branch
<b>Base Currency:</b>	The currency of denomination of the relevant Series.
<b>Purchase Date:</b>	In relation to the relevant Series, (i) the Issue Date and in relation to any Tranches of Further Secured Notes means the date on which such Further Secured Notes are issued or, if different, the first Purchase Date specified in the applicable Pricing Supplement or (ii) if “Collateralisation/Decollateralisation” is specified as being applicable in the applicable Pricing Supplement, each Collateralisation Date (if any).
<b>Repurchase Date:</b>	(1) For the purposes only of any purchase and cancellation of Secured Notes pursuant to Condition 5(g), the date on which such Secured Notes are purchased and cancelled or (2) unless the Secured Notes are otherwise purchased and cancelled in full, the earlier of (i) the Maturity Date and (ii) the Issuer Optional Redemption Date, the Secured Noteholder Optional Redemption Date or the date otherwise specified for redemption in accordance with Conditions 5(b), 5(c), 5(d), 5(i) or 5(j), respectively, provided that the Secured Notes are redeemed in full on such date or (3) if “Collateralisation/Decollateralisation” is specified as being applicable in the applicable Pricing Supplement, each Decollateralisation Date (if any) or, if earlier, the relevant date specified in (1) or (2) above.
<b>Purchase Price:</b>	in relation to the relevant Series, the product of (i) the Aggregate Nominal Amount on the relevant Purchase Date (and, in respect of further Secured Notes, the Aggregate Nominal Amount of such Further Secured Notes on the relevant Purchase Date for such Further Secured Notes) and (ii) the Issue Price.
<b>Repurchase Price:</b>	On any Business Day, the Collateralised Amount.
<b>Collateralised Amount:</b>	As specified in the applicable Pricing Supplement.
<b>Valuation Percentage:</b>	On any date of determination, a percentage determined as specified in the applicable Pricing Supplement.

## RISK FACTORS

The following risk factors are factors which the Issuer believes may be material for the purposes of (i) assessing the ability of the Issuer to fulfil its obligations under the Secured Notes and (ii) assessing the market risks associated with the Secured Notes.

**An investment in the Secured Notes involves certain risks, including risks relating to the Collateral Assets and risks relating to the structure and rights of such Secured Notes and the related arrangements. Prospective investors should carefully consider the following factors and the risk factors in the Programme Document referred to above, in addition to the matters set forth elsewhere in this Base Prospectus, prior to investing in any Secured Notes. The considerations set out below in respect of the Secured Notes, the Issuer and the Collateral Assets Companies are not, and are not intended to be, a comprehensive list of all considerations relevant to a decision to purchase or hold the Secured Notes. Additional risks and uncertainties not presently known to the Issuer or that it currently believes to be immaterial could also have a material impact on its business operations and on the Secured Notes.**

### ***Risks Relating to the Issuer***

Prospective investors should consider the section entitled "Risk Factors" at pages 12 to 38 in the Registration Document and the section entitled "Risk factors" at pages 156 to 172 in the 2020 Annual Report and Accounts of NWM Group, each as referred to in, and incorporated by reference into, this Base Prospectus as set out in "Documents Incorporated by Reference" in this Base Prospectus, as supplemented by the information below.

### **Applicability of EU law in the UK**

The transition period negotiated between the EU and the UK in connection with the withdrawal of the UK from the EU ended at 11.00 p.m. GMT on 31 December 2020, following which EU law has ceased to apply in the UK. However, many EU laws have been transposed into English law (including, without limitation, by virtue of the EUWA) and these transposed laws will continue to apply until such time that they are repealed, replaced or amended. Over the years, English law has been devised to function in conjunction with EU law (in particular, laws relating to financial markets, financial services, prudential and conduct regulation of financial institutions, financial collateral, settlement finality and market infrastructure). As a result, depending on the final trade arrangements to be put in place and implemented, substantial amendments to English law may occur and may diverge from the corresponding provisions of EU law applicable after 2020. Consequently, English law may change and differ from EU law and it is impossible at this time to predict the consequences on the Collateral Assets, the Issuer's business, financial condition or results of operations or prospects. Such changes could be materially detrimental to Secured Noteholders.

### **Risk of insolvency proceedings outside the UK**

The Issuer has its registered office in the UK. Prior to the end of the transition period, under Regulation (EU) 2015/848, as amended from time to time (the **EU Insolvency Regulation**), the Issuer's centre of main interests was presumed to be the UK in the absence of proof to the contrary and provided that the Issuer did not move its registered office within the 3 months prior to a request to open insolvency proceedings. Any main insolvency proceedings in respect of the Issuer for the purposes of the EU Insolvency Regulation would therefore fall within the jurisdiction of the English courts. However, as a

result of the withdrawal of the UK from the EU, the EU Insolvency Regulation no longer applies and if proceedings in respect of the Issuer were brought in an EU jurisdiction, the EU Insolvency Regulation will not apply, instead the laws of such jurisdiction will apply. The same risks apply to a jurisdiction outside the EU (as was the case even while the UK remained part of the EU).

### **UK Banking Act 2009**

If an instrument or order were to be made under the Banking Act 2009 (the **Banking Act**) in respect of the Issuer, such instrument or order may (amongst other things) affect the ability of NWM (including in its capacities as Issuer and Seller) to satisfy its obligations under the Transaction Documents and/or result in (i) certain stabilisation options being exercised and/or (ii) modifications to the Conditions of the Secured Notes and/or the Transaction Documents which may, among other things, have tax implications. In particular, modifications may be made pursuant to powers permitting certain trust arrangements to be removed or modified and/or via powers which permit provision to be included in an instrument or order such that the relevant instrument or order (and certain related events) is required to be disregarded in determining whether certain widely defined "default events" have occurred (which events would include certain of the Events of Default). Moreover, other than in the context of certain partial property transfers under the Banking Act, modifications may be made to contractual arrangements between the relevant institution and certain group companies (such as a Collateral Assets Company). If an instrument or order were to be made under the Banking Act in respect of NWM in its various capacities under the Programme such action may affect various other aspects of the transaction, including resulting in modifications to the Transaction Documents such that the relevant instrument or order (and certain related events) is required to be disregarded as described above with respect to certain default events linked to the relevant entity and, more generally, the ability of relevant entities to perform their obligations under the Transaction Documents. As a result, the making of an instrument or order in respect of the Issuer, or any other transaction party may affect the ability of a Collateral Assets Company to meet its obligations under the Secured Notes Guarantee and/or the ability of the Issuer to meet its obligations in respect of the Secured Notes. While there is provision for compensation under the Banking Act, there can be no assurance that Secured Noteholders would recover compensation promptly and equal to any loss actually incurred. See further (i) *"NatWest Group (including NWM Group) may become subject to the application of UK statutory stabilisation or resolution powers which may result in, among other actions, the write-down or conversion of NWM Group entities' Eligible Liabilities."* on page 165 of the 2020 Annual Report and Accounts of NWM Group and (ii) *"NWM Plc and/or its regulated subsidiaries may not meet the prudential regulatory requirements for capital."* on pages 161 to 162 of the 2020 Annual Report and Accounts of NWM Group, each as referred to in, and incorporated by reference into, this Base Prospectus.

As at the date of this Base Prospectus, HM Treasury and the Bank of England have not made an instrument or order under the Banking Act in respect of NWM or the NWM Group.

### **The Secured Notes are not obligations of a UK ring-fenced entity**

Following implementation of the RBS Group's target organisational structure, The Royal Bank of Scotland plc has been re-named NatWest Markets Plc, and is permitted to carry out broader trading and investment activities than the ring-fenced bank, including lending to other financial institutions and maintaining branches outside the EEA. These activities may expose NWM to risks to which ring-fenced banks are not exposed. NWM is a separate legal entity to the ring-fenced bank and does not have recourse to the assets of the ring-fenced bank. Any Notes issued by NWM under this Base Prospectus will be liabilities of an entity which is outside the ring-fence.

In addition to the restructuring costs which have been incurred in order to implement the operational requirements associated with ring-fencing, NWM has a significantly reduced balance sheet,

including a reduction in risk-weighted assets, and a reduced and potentially more volatile revenue stream. NWM may also have reduced access to funding, or experience higher costs of funding, as a result of no longer accepting retail deposits. NWM may also be subject to different regulatory obligations to the ring-fenced bank, including different liquidity requirements and capital buffers.

Investors in Notes issued by NWM are therefore subject to material risks and uncertainties that will not apply to investors in the ring-fenced bank, and no assurance can be given as to the financial position or profits and losses of NWM due to the implementation of the final ring-fenced structure.

## **Risks Relating to the Secured Notes**

### ***General risks***

#### **Security Recourse**

The security for the Secured Notes will be limited to the Collateral Assets held by each relevant Collateral Assets Company in respect of the relevant Series, the relevant Series Account(s) (if any) and Custody Account (if any) and other Mortgaged Property in respect of the relevant Series (as to which see "*Risks relating to the Collateral Assets*"). If the realisation proceeds of the Collateral Assets held by each relevant Collateral Assets Company in respect of the relevant Series and the other Mortgaged Property in respect of the relevant Series is insufficient to repay the Secured Noteholders in full investors may lose all or a part of their investment. Secured Noteholders are exposed, among other things, to the creditworthiness of the relevant Collateral Assets Companies, the Seller, the Collateral Agents, the Collateral Account Bank, the Custodian and the obligor(s) in respect of the Collateral Assets (each, an **Obligor**).

A Secured Notes Guarantee is the direct, unsubordinated and secured obligation of each relevant Collateral Assets Company, and in each case not of the officers, members, directors, employees, security holders or incorporator of such Collateral Assets Company, or the Issuer, the Dealer, the Seller or the Obligor(s) or their respective successors or assigns.

All Secured Notes will represent direct, unconditional, unsecured and unsubordinated obligations of the Issuer and of no other person. All Secured Notes will rank without any preference among themselves and (save to the extent that laws affecting creditors' rights generally in a bankruptcy or winding up may give preference to any of such other obligations) equally with all other present and future unsecured and unsubordinated obligations of the Issuer.

#### **Business Relationships**

Each of the Seller, the Arranger, the Dealer, the Trustee, the Collateral Agents or any of their Affiliates may have existing or future business relationships with any Obligor in respect of any Collateral Assets of any Series of Secured Notes (including, but not limited to, lending, depository, risk management, advisory and banking relationships), and will pursue actions and take steps that it deems necessary or appropriate to protect its interests arising therefrom without regard to the consequences for a Secured Noteholder. Furthermore, the Seller, the Arranger, the Dealer, the Trustee, the Collateral Agents or any of their respective Affiliates may buy, sell or hold positions in obligations of, or act as investment or commercial bankers, advisers or fiduciaries to, or hold directorship and officer positions in, any Obligor in respect of Collateral Assets.

#### **No Gross-Up**

In the event that any withholding tax is imposed on payments under the Secured Notes or the relevant Secured Notes Guarantee, neither the Issuer nor any relevant Collateral Assets Company will be obliged to "gross-up" payments to the holders of the relevant Secured Notes. The Secured Noteholders will bear

such withholding tax through a reduction of the amounts payable under the Secured Notes or the Secured Notes Guarantee, as applicable, unless otherwise specified in the applicable Pricing Supplement.

### **Credit Ratings**

Each Series may be rated or unrated. Where an issue of Secured Notes is rated, its rating will not necessarily be the same as the rating applicable to the Issuer. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency. The credit rating (if any) assigned to the Secured Notes is based solely on the credit quality of the Issuer and not the Collateral Assets. Credit ratings do not fully reflect all risks of an investment. In addition, prospective purchasers should note that rating agencies may fail to make timely changes in credit ratings in response to subsequent events, and the credit quality of the Issuer and/or the relevant Collateral Assets Companies may be worse than a credit rating indicates.

### **Collateral Account Bank and Custodian Risk**

The Bank of New York Mellon, London Branch (or such other person as specified in the applicable Pricing Supplement) will act as Custodian to the extent required in respect of any Series of Secured Notes. In respect of any Series a Collateral Account Bank may, from time-to-time, be appointed. Prospective investors should note that the Secured Noteholders will also be exposed to credit risk of the Custodian (if applicable) and any Collateral Account Bank appointed by the relevant Collateral Assets Company in respect of the funds standing to the credit of any Custody Account and any Series Account, respectively. Any default in its payment obligations in respect of any Custody Account or any Series Account by the Custodian or any Collateral Account Bank may have a material adverse effect on the amounts recoverable upon an enforcement of security which may, in turn, lead to a lower recovery on the Secured Notes.

### **No Fiduciary Role**

None of the Issuer, the Arranger, any relevant Collateral Assets Company, the Trustee, the Dealer, the Collateral Agents, any of the parties to the Transaction Documents or any of their respective Affiliates is acting as an investment advisor, and none of them (other than the Trustee) assumes any fiduciary obligation, to any purchaser of Secured Notes.

None of the Issuer, the Arranger, any relevant Collateral Assets Company, the Trustee, the Collateral Agents, the Dealer or any of the parties to the Transaction Documents or any of their respective Affiliates assumes any responsibility for conducting or failing to conduct any investigation into the business, financial condition, prospects, creditworthiness, status and/or affairs of an Obligor of a Collateral Asset.

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

### **Provision of Information**

The Issuer, the Arranger, the Dealer, the relevant Collateral Assets Companies, the other parties to the Transaction Documents and any of their respective Affiliates and, in particular, the Seller (particularly in circumstances where it is the originator of the Collateral Assets), whether by virtue of the types of relationships described herein or otherwise, may possess information in relation to any Obligor, any affiliate of an Obligor or any guarantor of an Obligor that is or may be material in the context of the Secured Notes and that may or may not be publicly available or known. Documentation relating to the Collateral Assets, including loan agreements or bond documents, may contain restrictions on the ability to disclose information regarding the Collateral Assets or the Obligors thereunder. The Seller may be restricted by such documentation from disclosing information regarding the Obligors to the relevant

Collateral Assets Companies and the Issuer. The Secured Notes will not create any obligation on the part of any of the Issuer, the relevant Collateral Assets Companies, the parties to the Transaction Documents or any of their respective Affiliates to disclose any such relationship or information (whether or not confidential) other than any such information contained in the Secured Noteholder Reports or the Issuer Secured Noteholder Reports. It will not be possible to include certain information in the Secured Noteholder Reports or the Issuer Secured Noteholder Reports, as applicable, if the Seller is restricted from providing it due to a confidentiality agreement or clause in the documentation relating to a Collateral Asset or otherwise due to legal or regulatory restrictions. Each of such persons may have acquired, or during the term of the Secured Notes may acquire, confidential information with respect to the Collateral Assets or Obligors of a Collateral Asset. None of such persons is under any obligation to make such information available to Secured Noteholders.

This Base Prospectus does not provide any information on the creditworthiness or likelihood of the occurrence of a default with respect to any Collateral Assets or Obligors of Collateral Assets.

### **Certain Conflicts of Interest between the Various Parties**

Various potential and actual conflicts of interest may arise from the business and activities of the Arranger, the Dealer, the Seller, its Affiliates and their clients and from the conduct by the Arranger, the Dealer, the Seller, the relevant Collateral Assets Companies, the Verification and Reporting Agent and their Affiliates of other transactions with the Issuer, any relevant Collateral Assets Company and the Obligors. The following briefly summarises some of these conflicts, but is not intended to be an exhaustive list of all such conflicts.

The Seller or its Affiliates may have, respectively, originated the Collateral Assets at original issuance, may own equity or other securities of Obligors of Collateral Assets and will have provided investment banking services, advisory, banking and other services to Obligors of Collateral Assets.

The Arranger, the Dealer, any relevant Collateral Assets Company, the Verification and Reporting Agent, the other parties to the Transaction Documents and any of their respective Affiliates may deal in any obligation, including any Collateral Assets, and may accept deposits from, make loans or otherwise extend credit to, and generally engage in any kind of commercial or investment banking or other business with, any Obligor, its Affiliates, any other person or entity having obligations relating to an Obligor or its Affiliates and may act with respect to such business in the same manner as if any Secured Notes did not exist, regardless of whether any such action might have an adverse effect (including, without limitation, any action which might give rise to a default under such Collateral Asset) on an Obligor and/or its Affiliates.

Various potential and actual conflicts of interest may arise between the interests of the Seller or its Affiliates as originator or underwriter of a Collateral Asset, on the one hand, and the Issuer, the relevant Collateral Assets Companies, and Secured Noteholders, on the other hand. The Seller and its Affiliates are not required to resolve such conflicts of interest in favour of the Secured Noteholders and may pursue actions and take such steps that it deems necessary or appropriate to protect its interests without regard to the consequences for the Secured Noteholders.

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 Secured 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 upon redemption of the Secured Notes.

The Issuer or one of its affiliates may be the sponsor or calculation agent in respect of (i) a Reference Item or (ii) one or more of the components of a Reference Item to which the Secured Notes are linked. In such circumstances, the terms of the Reference Item (or component of the Reference Item) may provide

the Issuer (or one of its affiliates) acting as sponsor or calculation agent with discretions to make certain determinations and judgements which may influence the price or level of such Reference Item (or component of the Reference Item). Those discretions may be adverse to the interest of the holders of the Secured Notes and may negatively impact the value of the Secured Notes.

The Issuer and/or any Dealer may at the date hereof or at 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 Secured Notes and may or may not be publicly available to Secured Noteholders. There is no obligation on the Issuer or any Dealer to disclose to Secured Noteholders any such information. See also the paragraph entitled "Provision of Information" above.

### **Legality of Purchase**

The Issuer is not required and does not intend to register as an investment company under the 1940 Act (or any similar non-U.S. regulatory regime), and, accordingly, investors in the Secured Notes are not afforded the protections of regulation under the Investment Company Act or otherwise.

None of the Issuer, the relevant Collateral Assets Companies, the Dealer or any of their affiliates has or assumes responsibility for the lawfulness of the acquisition of the Secured Notes by a prospective purchaser of the Secured Notes, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates (if different), or for compliance by that prospective purchaser with any law, regulation or regulatory policy applicable to it.

If a court were to determine that the Issuer were required to register as an investment company under the Investment Company Act, both the Issuer and holders of Secured Notes are likely to be materially and adversely affected.

### **Taxation and Expenses**

Potential purchasers and sellers of Secured Notes should be aware that they may be required to pay stamp taxes or other documentary charges in accordance with the laws and practices of the country where the Secured Notes are transferred or elsewhere. Secured Noteholders are subject to the provisions of Condition 17 and payment and/or delivery of any amount due in respect of the Secured Notes will be made subject to any tax, duty, withholding or other payment which may be required to be made, paid, withheld or deducted.

Potential purchasers who are in any doubt as to their tax position should consult their own independent tax advisers. In addition, potential purchasers should be aware that tax regulations and their application by the relevant taxation authorities change from time to time. Accordingly, it is not possible to predict the precise tax treatment which will apply at any given time.

### **Modification, waivers and substitution**

The Conditions contain provisions for calling meetings of Secured Noteholders (including by way of conference call using a videoconference platform) to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Secured Noteholders including Secured Noteholders who did not attend and vote at the relevant meeting and Secured Noteholders who voted in a manner contrary to the majority.

The Conditions also provide that the Trustee may agree, without the consent of Secured Noteholders, to (i) any modification (subject to certain exceptions as provided in the Trust Deed) of the Conditions or of the provisions of the Trust Deed which in its opinion is not materially prejudicial to the interests of the Secured Noteholders or (ii) any modification of the Conditions or the provisions of the Trust Deed which is of a formal, minor or technical nature or is made to correct a manifest or proven error or to comply with

mandatory provisions of the law of the jurisdiction in which the Issuer is incorporated. Any such modification shall be binding on the Secured Noteholders and, unless the Trustee agrees otherwise, any such modification shall be notified to the Secured Noteholders in accordance with Condition 23 as soon as practicable thereafter.

The Trustee may also waive or authorise any breach or proposed breach of the Conditions or the provisions of the Trust Deed in relation to such Secured Notes which, in its opinion, is not materially prejudicial to the interests of the holders of the Secured Notes of the relevant Series.

In addition, pursuant to Condition 24 and the Trust Deed, the Trustee may agree, without the consent of the Secured Noteholders, to the substitution of another company as principal debtor under any Secured Notes in place of the Issuer, in the circumstances described in Condition 24 and the Trust Deed, including if, *inter alia*, (i) the obligations of such substituted principal debtor thereunder are guaranteed by the Issuer on a basis acceptable to the Trustee and (ii) the Trustee is satisfied that such substitution is not materially prejudicial to the interests of the Secured Noteholders.

### **Secured Noteholder Representative**

Where the applicable Pricing Supplement specifies that a Secured Noteholder Representative is appointed, such entity may have certain powers to act on behalf of the Secured Noteholders as specified in the applicable Pricing Supplement and if so specified may have the power to amend the Eligibility Criteria and Concentration Limitation Criteria. The Secured Noteholder Representative may act on its discretion and will not be required to consult with the Secured Noteholders when exercising any such power, although any such exercise of powers may have a significant effect on the performance of the Secured Notes. Prospective Secured Noteholders should therefore satisfy themselves that the powers of the Secured Noteholder Representative are acceptable to them and consistent with any investment they make in the Secured Notes.

### **Partly Paid Secured Notes**

Prospective investors should note that, where the Secured Notes are issued on a partly paid basis (such Secured Notes, **Partly Paid Secured Notes**), all rights arising under such Secured Notes (including rights to payment of principal and interest) after the date on which any instalment is due shall be conditional upon the due payment of the relevant instalment. Accordingly, to the extent that any instalment is not paid when due, the relevant investor shall not be entitled to any rights in respect of the relevant Secured Notes (including any right to repayment of instalments already paid).

### **Illegality and Taxation**

In the event that the Issuer determines in good faith that:

- (i) either the performance of its obligations under a Series of Secured Notes, or any relevant Collateral Assets Company's obligations under the Secured Notes Guarantee or that any arrangements made to hedge its position under such Secured Notes has or will become unlawful, illegal, or otherwise prohibited in whole or in part, or
- (ii) the performance of its obligations under a Series of Secured Notes, or any Secured Notes Document (including, without limitation, its payment obligations in its capacity as Seller under the Collateral Transfer Agreement) or that any arrangements made to hedge its position under such Secured Notes has resulted or will result in the Issuer or any affiliate not being entitled to tax relief in respect of any losses, costs or expenses incurred in connection therewith,

the Issuer may, having given notice to Secured Noteholders, redeem all, but not some only, of the Secured Notes of such Series, each Note being redeemed at the Early Redemption Amount, together

with, if so specified in the applicable Pricing Supplement, accrued interest.

### **Risks relating to Withholding Tax in respect of Payments under the Secured Notes Guarantee**

Interest payable in respect of the Secured Notes will not be subject to United Kingdom withholding tax whilst the Issuer continues to be a bank paying the interest in the ordinary course of its business such that it qualifies for the exemption under section 878 of the Income Tax Act 2007. The United Kingdom withholding tax treatment of guarantee payments in respect of interest is however unclear and, whilst it may be the case that payments under a guarantee are of the same nature, and attract the same taxation treatment as, the interest payments which they represent, it is not clear that such payments will qualify for the same exemption from United Kingdom withholding tax as payments of interest on the Secured Notes. In particular, that exemption requires the payment of interest to be made by a bank (as defined at section 991 Income Tax Act 2007). Accordingly, there is a risk that payments under the Secured Notes Guarantee in respect of interest may be subject to withholding or deduction on account of United Kingdom tax.

### **Hedging**

In the ordinary course of its business, including without limitation in connection with its market making activities, the Issuer and/or any of its affiliates may effect transactions for its own account or for the account of its customers and hold long or short positions in Reference Item(s) or related derivatives. In addition, in connection with the offering of the Secured Notes, the Issuer and/or any of its affiliates may enter into one or more hedging transactions with respect to Reference Item(s) or related derivatives. In connection with such hedging or market-making activities or with respect to proprietary or other trading activities by the Issuer and/or any of its affiliates, the Issuer and/or any of its affiliates may enter into transactions in any Reference Item(s) or related derivatives which may affect the market price, liquidity or value of the Secured Notes and which could be deemed to be adverse to the interests of the relevant Secured Noteholders.

### **Change of Law**

The Conditions are based on English law in effect as at the date of issue of the Secured Notes. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of issue of the Secured Notes. See further "*Continuing uncertainty regarding the effects of the UK's withdrawal from the European Union may continue to adversely affect NWM Group and its operating environment.*" on pages 159 to 160 of the 2020 Annual Report and Accounts of NWM Group, as referred to in, and incorporated by reference into, this Base Prospectus.

### **Secured Notes where denominations involve integral multiples: definitive Bearer Notes**

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

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

## **Euro-system Eligibility**

The European Central Bank (the **ECB**) maintains and publishes a list of assets which are recognised as eligible collateral for Eurosystem monetary and intra-day credit operations. In certain circumstances, recognition may impact on (among other things) the liquidity of the relevant assets. Recognition (and inclusion on the list) is at the discretion of the Eurosystem and is dependent upon satisfaction of certain Eurosystem eligibility criteria and rules. If application is made to the European Control Board for any Secured Notes to be recognised and added to the list of eligible assets, there can be no assurance that such Secured Notes will be so recognised, or, if they are recognised, that they will continue to be recognised at all times during their life.

## **Calculation Agent Discretions**

Under the Conditions of the Secured Notes, the Calculation Agent may make certain determinations in respect of the Secured Notes, and certain adjustments to the Conditions, which could affect the amount payable by the Issuer on the Secured Notes. The Conditions will specify the reasons for, and the circumstances in which, the Calculation Agent will be able to make such determinations and adjustments. In exercising its right to make such determinations and adjustments the Calculation Agent is entitled to act in its sole and absolute discretion, but must act in good faith.

## **Risks related to Secured Notes which are linked to "benchmarks"**

The London Interbank Offered Rate (**LIBOR**), the Euro Interbank Offered Rate (**EURIBOR**) and other interest rates or other types of rates and indices which are deemed to be benchmarks are the subject of ongoing national and international regulatory discussions and proposals for reform. Some of these reforms are already effective while others are still to be implemented.

Regulation (EU) 2016/1011 (the **EU Benchmark 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 prevents certain uses by EU entities of benchmarks of unauthorised administrators. Regulation (EU) 2016/1011 as it forms part of domestic law by virtue of the EUWA (the **UK Benchmark Regulation**) applies to the provision of benchmarks, the contribution of input data and the use of a benchmark in the UK. Similarly, it prohibits the use in the UK by UK supervised entities of benchmarks of administrators that are not authorised by the FCA or registered on the FCA register (or, if non-UK based, not deemed equivalent or recognised or endorsed).

The EU Benchmark Regulation and/or the UK Benchmark Regulation, as applicable, could have a material impact on any Secured Notes linked to LIBOR, EURIBOR or another benchmark rate or index, in particular if the methodology or other terms of the benchmark are changed in order to comply with the terms of the EU Benchmark Regulation or the UK Benchmark Regulation, and such changes could (amongst other things) have the effect of reducing or increasing the rate or level or affecting the volatility of the published rate or level of the benchmark.

More broadly, any of the international, national or other proposals for reform or the general increased regulatory scrutiny of benchmarks could increase the costs and risks of administering or otherwise participating in the setting of a benchmark and complying with any such regulations or requirements.

Such factors may have the effect of discouraging market participants from continuing to administer or contribute to certain benchmarks, trigger changes in the rules or methodologies used in certain benchmarks or lead to the discontinuance or unavailability of quotes of certain benchmarks.

As an example of such benchmark reforms, on 27 July 2017, the FCA announced that it will no longer persuade or compel banks to submit rates for the calculation of the LIBOR benchmark after 2021 and, on 12 July 2018, announced that the LIBOR benchmark may cease to be a regulated benchmark for

Benchmark Regulation purposes. Such announcements indicate that the continuation of LIBOR on the current basis (or at all) cannot and will not be guaranteed after 2021. In addition, on 29 November 2017, the Bank of England and the FCA announced that, from January 2018, its working group on Sterling risk free rates has been mandated with implementing a broad-based transition to the Sterling Overnight Index Average (**SONIA**) over the next four years across sterling bond, loan and derivative markets so that SONIA is established as the primary sterling interest rate benchmark by the end of 2021.

In November 2014, the Board of Governors of the Federal Reserve System and the Federal Reserve Bank of New York convened the Alternative Reference Rates Committee (**ARRC**) to identify a set of alternative reference interest rates for financial instruments and contracts referencing U.S. Dollar LIBOR. On 22 June 2017, the ARRC announced Secured Overnight Financing Rate (**SOFR**) as its recommended alternative reference rate to U.S. Dollar LIBOR.

Additionally, on 5 March 2021, ICE Benchmark Administration Limited (**IBA**), the authorised and regulated administrator of LIBOR, announced its intention to cease the publication of all 35 LIBOR settings on 31 December 2021, or for certain US dollar LIBOR settings, on 30 June 2023 (the **IBA Announcement**). The IBA notified the Financial Conduct Authority (the **FCA**) of its intention and on the same date, the FCA published an announcement on the future cessation and loss of representativeness of the 35 LIBOR benchmarks (the **FCA Announcement**). The FCA Announcement states that all 35 LIBOR maturities and currencies will either cease to be published by any administrator or will no longer be representative as follows:

- (i) all 7 euro LIBOR settings, all 7 Swiss franc LIBOR settings, the Spot Next, 1-week, 2-month and 12-month Japanese yen LIBOR settings, the overnight, 1-week, 2-month and 12-month sterling LIBOR settings, and the 1-week and 2-month US dollar LIBOR settings will cease to be published immediately after 31 December 2021;
- (ii) the overnight and 12-month US dollar LIBOR settings will cease to be published immediately after 30 June 2023;
- (iii) the 1-month, 3-month and 6-month Japanese yen LIBOR settings and the 1-month, 3-month and 6-month sterling LIBOR settings will no longer be representative immediately after 31 December 2021; and
- (iv) the 1-month, 3-month and 6-month US dollar LIBOR settings will no longer be representative immediately after 30 June 2023.

The IBA Announcement was expressed to be subject to the exercise by the FCA of its proposed new powers (which are included in proposed amendments to the UK Benchmark Regulation) to require IBA to continue publishing such LIBOR settings using a changed methodology (also known as a 'synthetic' basis).

Pursuant to the FCA Announcement, the FCA has indicated it will consult or continue consulting on using its proposed new powers to require IBA to continue the publication on a 'synthetic' basis of the 1-month, 3-month, 6-month sterling LIBOR and Japanese yen LIBOR for a further period after the end of 2021, and will continue to consider the case for requiring IBA to continue publication of the 1-month, 3-month and 6-month US dollar LIBOR settings for a further period after the end of June 2023, taking into account views and evidence from the US authorities and other stakeholders.

Any of the above changes could have a material adverse effect on the value of, and return on, any Secured Notes linked to a benchmark.

### **IBOR transition and risks relating to anticipatory trigger events**

For any Secured Notes where the reference rate or benchmark is a LIBOR, the announcements by the FCA and IBA on 5 March 2021 that all LIBOR settings will cease to be published or will no longer be representative may have triggered certain fallback provisions (such trigger being an anticipatory trigger). Whilst fallback provisions may have been triggered, the effective date and consequences of such fallbacks may not take effect until after the date of such announcements. Consequences of such fallbacks may require the Issuer to identify a replacement rate or benchmark, calculate a spread to be applied to the replacement rate or benchmark, make adjustments and fulfil other related obligations under relevant fallback provisions. Notwithstanding anything to the contrary in the fallback provisions, the Issuer, the Independent Advisor and/or the Calculation Agent, as applicable, may make all determinations and/or adjustments in respect of the Secured Notes as are provided for in connection with the occurrence of an anticipatory trigger, notwithstanding that such anticipatory trigger may have occurred before the Issue Date of the Secured Notes. Secured Noteholders should ensure that they read the fallback provisions applicable to their particular Secured Notes and the related risk factors in light of this possibility. Whilst an anticipatory trigger may not result in the immediate replacement of the applicable rate or benchmark with a successor rate or benchmark, when changes are made there is a risk that the return on the Secured Notes will be adversely affected (including that Secured Noteholders receive a significantly lower amount of interest) or that the Secured Notes may be early redeemed.

### **The market continues to develop in relation to SONIA and SOFR as a reference rate for Floating Rate Notes**

Investors should be aware that the market continues to develop in relation to SONIA and SOFR, as reference rates in the capital markets and their adoption as alternatives to Sterling or U.S. Dollar LIBOR. In addition, market participants and relevant working groups are exploring alternative reference rates based on SONIA and SOFR, including term SONIA and SOFR reference rates (which seek to measure the market's forward expectation of an average SONIA or SOFR rate over a designated term). The development of SONIA and SOFR rates as interest reference rates for the Eurobond markets, as well as continued development of SONIA and SOFR based rates for such market and the market infrastructure for adopting such rates, could result in reduced liquidity or increased volatility or could otherwise affect the market price of the Secured Notes.

The use of SONIA and SOFR as reference rates for Eurobonds continues to develop both in terms of the substance of the calculation and in the development and adoption of market infrastructure for the issuance and trading of bonds referencing SONIA and SOFR. In particular, investors should be aware that several different SOFR methodologies have been used in SOFR linked notes issued to date and no assurance can be given that any particular methodology will gain widespread market acceptance.

The market or a significant part thereof may adopt an application of SONIA and SOFR that differs significantly from that applicable to the relevant Secured Notes. Furthermore, the Issuer may in future issue Secured Notes referencing SONIA or SOFR that differ materially in terms of interest determination when compared with the Secured Notes. In addition, the manner of adoption or application of SONIA or SOFR reference rates in the Eurobond markets may differ materially compared with the application and adoption of SONIA or SOFR in other markets, such as the derivatives and loan markets. Secured Noteholders should carefully consider how any mismatch between the adoption of SONIA or SOFR reference 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 Secured Notes referencing SONIA or SOFR.

### ***Risks relating to the Collateral Assets Companies***

#### **The relevant Collateral Assets Companies are only obliged to pay Guaranteed Amounts when such amounts are due and payable following service of an Acceleration Notice on the Issuer**

Following service of an Acceleration Notice on the Issuer, the Trustee is required to serve a Notice to Pay on each relevant Collateral Assets Company. Only following service of such a Notice to Pay on each relevant Collateral Assets Company will such relevant Collateral Assets Companies be obliged to pay Guaranteed Amounts in accordance with the terms of the Secured Notes Guarantee and the security shall become immediately enforceable. In the event of an Event of Default and the delivery of an Acceleration Notice in accordance with Condition 19 and the service of a Notice to Pay by the Trustee, the Trustee may accelerate the obligations of the relevant Collateral Assets Companies under the Secured Notes Guarantee and the security shall become immediately enforceable.

#### **The relevant Collateral Assets Companies have finite resources available to them to make payments due under the Secured Notes Guarantee**

Following service of a Notice to Pay on the relevant Collateral Assets Companies, each relevant Collateral Assets Company's ability to meet its obligations under the Secured Notes Guarantee will depend on the realisable value of Collateral Assets and their Related Security and other Mortgaged Property. Recourse against each relevant Collateral Assets Company under the Secured Notes Guarantee is limited to the aforementioned assets.

If an Event of Default occurs and the Security granted by or pursuant to the Guarantee and Security Trust Deed is enforced, the Mortgaged Property may not be sufficient to meet the claims of all the Secured Parties, including the holders of the Secured Notes. Any shortfall will be borne by the Secured Noteholders in accordance with the Security Priority. Each Secured Noteholder, by subscribing for or purchasing such Secured Notes, will be deemed to accept and acknowledge that it is fully aware that, in the event of a shortfall, (i) the relevant Collateral Assets Companies shall be under no obligation to pay, and the other assets (if any) of the relevant Collateral Assets Companies including, in particular, assets securing other Series will not be available for payment of, such shortfall, (ii) all claims in respect of such shortfall shall be extinguished, and (iii) the Trustee, the Secured Noteholders and the other Secured Parties shall have no further claim against the relevant Collateral Assets Companies in respect of such unpaid amounts.

In addition, none of the Secured Noteholders, the Trustee nor any other Secured Party (nor any other person acting on behalf of any of them) shall be entitled at any time to institute against any relevant Collateral Assets Company, or join in any institution against any relevant Collateral Assets Company of, any bankruptcy, reorganisation, arrangement, insolvency, winding up or liquidation proceedings or any proceedings for the appointment of a liquidator, examiner or administrator or a similar official, or other proceedings under any applicable bankruptcy or similar law in connection with any obligations of any relevant Collateral Assets Company relating to the Secured Notes, the Guarantee and Security Trust Deed or otherwise owed to the Secured Noteholders, save for lodging a claim in the liquidation of the relevant Collateral Assets Companies which is initiated by another party or taking proceedings to obtain a declaration or judgment as to the obligations of the relevant Collateral Assets Companies.

If the proceeds of realisation of the Mortgaged Property are insufficient to meet the claims of the Secured Noteholders in full, the Secured Noteholders will continue to rank as unsecured creditors of the Issuer in respect of the relevant Secured Notes.

The relevant Collateral Assets Companies are exposed to interest rate risk by virtue of the Series Account(s). As interest levels fluctuate over time, the relevant Collateral Assets Companies may be entitled to a lower rate of interest on some or all Series Account(s) or, in some circumstances, may be required to pay a negative interest rate to the Collateral Account Bank. Any such lower or negative rate of interest may reduce the funds available for the Collateral Assets Company to pay Guaranteed Amounts in accordance with the terms of the Secured Notes Guarantee.

### ***Risks Relating to the Collateral Assets***

#### **Valuation of the Collateral Assets, Margin Transfers and Substitutions**

The decision by any prospective holder of a Series of Secured Notes to invest in such Secured Notes should be based, among other things, on the criteria which each Collateral Asset is required to satisfy, as disclosed in this Base Prospectus and supplemented by the Pricing Supplement relating to the particular Series of Secured Notes. This Base Prospectus does not contain any information regarding the individual Collateral Assets on which the Secured Notes Guarantee in respect of the Secured Notes will be secured from time to time. Purchasers of any of the Secured Notes will not generally have an opportunity to evaluate for themselves the relevant economic, financial and other information regarding the Collateral Assets and, accordingly, will be dependent upon the application of the criteria in respect of each Series on the Issue Date and during the life of the Secured Notes.

None of the Issuer, the relevant Collateral Assets Companies, the Arranger, or the Dealer has made any investigation into the Obligors of the Collateral Assets for the purpose of an issuance of Secured Notes. The value of the Collateral Assets relating to a Series may fluctuate from time to time. Subject to the margin transfer provisions described below, none of the Issuer, the relevant Collateral Assets Companies, the Trustee, any Agent, the Dealer, the Arranger or any of their Affiliates in each case, relating to a Series, has any liability to the Secured Noteholders as to the amount or value of, or any decrease in the value of or inability to obtain a valuation of, the Collateral Assets from time to time (without prejudice to the relevant Collateral Assets Companies' obligations under the relevant Secured Notes Guarantee).

The Seller under the Collateral Transfer Agreement will have discretion as to what Collateral Assets are transferred to the Collateral Assets Companies from time to time, subject to compliance with the Eligibility Criteria and Concentration Limits.

If Automatic Substitution is specified as being applicable in the applicable Pricing Supplement, on a specified Business Day following the Purchase Date (the **Substitution Date**), the Seller is required to substitute all (or such proportion as it selects) of the Euroclear Collateral Assets (if any) with Non-Euroclear Collateral Assets in accordance with the Collateral Transfer Agreement. If however the Seller notifies the Collateral Assets Company that the Substitution Date shall be such later date as is specified in such notice (or in any subsequent notice), the Substitution Date shall be the date specified in such notice or in any subsequent notice. Such deferral notice shall be effective if sent via email to [CIBSolutionsTrading@rbs.com](mailto:CIBSolutionsTrading@rbs.com) or if provided orally. Any such deferral is permitted without the consent of any other party and may have a significant effect on the composition of the Collateral Assets from time to time.

As the Collateral Assets may comprise illiquid assets, it may be difficult to accurately and reliably value such Collateral Assets. The Collateral Value in respect of Non-Euroclear Collateral Assets is determined by the Valuation Agent and where the Valuation Agent calculates Collateral Values, it is subject to a number of requirements, including that it must act in good faith and a commercially reasonable manner and that for Non-Euroclear Collateral Assets it will apply its standard internal procedures as to how to value the relevant assets. However, it is not required to be based on any third party quotations or pricing services. The Collateral Value in respect of Euroclear Collateral Assets will be determined by Euroclear

in accordance with its own valuation methodology pursuant to the Collateral Services Agreement. Further, pursuant to the Collateral Services Agreement, the Valuation Agent may on any Business Day have the right to provide the Collateral Value of one or more of any Euroclear Collateral Assets in respect of such Business Day of Euroclear. In each case, such value may be higher or lower than a Secured Noteholder or the market in general may ascribe to such asset at any given time. Secured Noteholders are wholly reliant on the accuracy of valuations as determined by the Valuation Agent or Euroclear which are updated or confirmed on each Valuation Date.

Unless the applicable Pricing Supplement is in respect of a Euroclear Bond Collateral Series and the Valuation Agent does not exercise its right pursuant to the Collateral Services Agreement to provide the Collateral Value on any Business Day in respect of one or more of any Euroclear Collateral Assets or margin maintenance is disapplied in the Pricing Supplement, pursuant to the margin transfer provisions of the applicable Collateral Transfer Agreement, the value of the Collateral Assets relating to a Series of Secured Notes will be determined on each Valuation Date by the Valuation Agent (and thereafter verified by the Verification and Reporting Agent) based on the methodology specified in the applicable Pricing Supplement where such methodology utilises either (i) quotations from independent dealers or pricing sources, (ii) valuation based on the nominal amounts of the relevant Collateral Assets or (iii) the present value of the projected cashflows of the relevant Collateral Assets, discounted to the date of determination using a discount rate derived from observable market data such as the pricing of bonds, loans or credit default swaps or indices comprised of bonds, loans or credit default swaps, and the Seller will be required to substitute Collateral Assets in order to effect a Margin Transfer if either the relevant Collateral Assets Companies (taken together) or the Seller has a Net Exposure in respect of the other under the applicable Collateral Transfer Agreement. If the applicable Pricing Supplement is in respect of a Euroclear Bond Collateral Series, Margin Transfer and the determination of Net Exposure will be carried out by Euroclear in accordance with the Collateral Services Agreement (save where the Valuation Agent exercises its right to provide the Collateral Value). The calculation of Net Exposure and the subsequent obligation to transfer further Collateral Assets (if required) will occur on each Valuation Date. Secured Noteholders will be subject to the risk of the Collateral Value of the Collateral Assets falling during the time before which a required collateral delivery is made in order to effect a Margin Transfer.

In the case of Secured Notes if the Pricing Supplement in respect of which specifies that margin maintenance will not apply, no margin maintenance will be conducted in respect of such Secured Notes and, as such, Noteholders will bear the risk of a decrease in the market value of the Collateral Assets which will have the effect of decreasing the value of the Collateral Assets in respect of which such Noteholders have the benefit of security.

Following an Event of Default and service of an Acceleration Notice and a Notice to Pay, the Trustee shall, subject to being indemnified and/or secured and/or pre-funded to its satisfaction, enforce the security over the Mortgaged Property. The non-Defaulting Party will be obliged to value the Collateral Assets to determine whether the Seller is to make a termination payment under the Collateral Transfer Agreement to the relevant Collateral Assets Companies. Any such termination payment paid to a Collateral Assets Company will form part of the security granted to the Secured Noteholders by such relevant Collateral Assets Company. Secured Noteholders should note that in certain circumstances pursuant to the Collateral Transfer Agreement, the non-Defaulting Party will determine the Collateral Value of the Collateral Assets for such purposes acting in a commercially reasonable manner and in good faith but subject to no other set parameters.

Investors should be further aware that, as a result of the potentially illiquidity of the Collateral Assets and/or the particular methodology utilised by the Valuation Agent to determine the Collateral Value, there can be no assurance that, upon the enforcement of security following the delivery of an Acceleration Notice and Notice to Pay, the Trustee or any Receiver will be able to realise such Collateral Assets at the current Collateral Value assigned to such Collateral Assets or at all. There may not at the time of such

enforcement be a liquid market in such Collateral Assets which may adversely affect the amounts realised from the sale of such Collateral Assets and therefore the return on the Secured Notes.

As stated above, following service of a Notice to Pay on the relevant Collateral Assets Companies, the relevant Collateral Assets Companies' ability to meet their obligations under the Secured Notes Guarantee will depend on the realisable value of Collateral Assets and the other Mortgaged Property. Following service of a Notice to Pay, Secured Noteholders are therefore subject to the credit risk of the obligors of the Collateral Assets, as an insolvency or similar proceedings in respect of such obligors could reduce the realisable value of such Collateral Assets.

### **Decollateralisation**

In the event that "Collateralisation/Decollateralisation" is specified as being applicable in the applicable Pricing Supplement, until the first Collateralisation Date and then following a Decollateralisation Date and until the next Collateralisation Date (if any), there shall be no Collateral Assets in existence. During each such period, whilst the Secured Notes Guarantee will remain in place, it shall not be secured by Collateral Assets and consequently it is likely to be of little value. Investors should consider carefully the likely impact of any possible Decollateralisation in so far as this concerns their decision to invest in any Secured Notes.

### **Currency Risk**

Some or all of the Collateral Assets relating to a Series of Secured Notes may be denominated in a different currency to those Secured Notes. To the extent this is the case, the relevant Collateral Assets Companies and, therefore, the Secured Noteholders will be subject to foreign exchange risk. Pursuant to the Collateral Transfer Agreement, the Seller is obliged to effect Margin Transfers through the transfer of further Collateral Assets where necessary. Such margin maintenance requires the conversion of collateral values assigned to assets that are denominated in a currency that is different to that of the Secured Notes of the relevant Series at the spot rate of exchange for such currencies by reference to such source as the Valuation Agent may reasonably determine. In the case of Series of Secured Notes where margin maintenance is required to occur on each Business Day, the Secured Noteholders will be exposed to foreign exchange risk, which will be an overnight risk while margin maintenance is carried out by the Seller in accordance with the relevant Collateral Transfer Agreement and the Issuer is not in default under the Secured Notes. However, if margin maintenance is required to occur less frequently or the Issuer is in default under the Secured Notes and security is enforced over the Collateral Assets, or the Seller or the relevant Collateral Assets Companies fail to perform their obligations under the relevant Collateral Transfer Agreement, the foreign exchange risk may increase as the Secured Noteholders will be exposed to any changes in exchange rates during the period until margin maintenance is next required to occur, during the time it takes to enforce the security and liquidate the Collateral Assets or during the period in which such obligations are not carried out, as applicable. Overnight changes in exchange rates or changes during the times specified in the immediately preceding sentence could materially adversely affect the return on the Secured Notes.

### **Insolvency Considerations relating to Collateral Assets**

Collateral Assets may be subject to various laws enacted for the protection of creditors in the countries of the jurisdictions of incorporation of Obligors and, if different, in which the Obligors conduct business and in which they hold the assets, which may adversely affect such Obligors' abilities to make payment on a full or timely basis. These insolvency considerations will differ depending on the country in which each Obligor is located or domiciled and may differ depending on whether the Obligor is a non-sovereign or a sovereign entity.

The different insolvency regimes applicable in different jurisdictions result in a corresponding variability of recovery rates for the Collateral Assets entered into by Obligor in such jurisdictions. No reliable historical data is available.

For instance, in respect of an Obligor incorporated in the United States, if a court were to find that the Obligor did not receive fair consideration or reasonably equivalent value for incurring the indebtedness constituting the Collateral Asset, in certain circumstances, such court could determine to invalidate, in whole or in part, such indebtedness as a fraudulent conveyance, to subordinate such indebtedness to existing or future creditors of the obligor or to recover amounts previously paid by the obligor in satisfaction of such indebtedness. A U.S. court in a U.S. bankruptcy or insolvency proceeding would be able to direct the recapture of any such payment from a holder of the Secured Notes to the extent that such court has jurisdiction over such holder or its assets. Since there is no judicial precedent relating to structured securities such as the Secured Notes, there can be no assurance that a holder of Secured Notes will be able to avoid recapture on this basis. See also "Risks relating to the Declaration of Trust – Restrictions on Transfers of Loan Agreements" below.

### **Concentration Risk**

The relevant Collateral Assets Companies will hold a portfolio of Collateral Assets in respect of each Series subject to satisfaction of the Eligibility Criteria. A concentrated portfolio of a small number of Collateral Assets may mean that the risk in respect of the Secured Notes is concentrated in one or more poorly performing Collateral Assets. The concentration of the Collateral Assets in any one Obligor would subject the Secured Notes to a greater degree of risk with respect to defaults by such Obligor. The concentration of the Collateral Assets in any one industry would equally subject the Secured Notes to a greater degree of risk with respect to economic downturns relating to such industry. There could also exist geographic concentration risks if the jurisdiction of incorporation of the Obligors or the jurisdiction in which such Obligors operate is any one country. The economy of any jurisdiction is dependent on different mixtures of industries and is subject to certain, specific political and other factors. The concentration of Obligors in any one country would subject the Secured Notes to a greater degree of risk with respect to economic downturns relating to such country. Secured Noteholders should note that the composition of the Collateral Assets may change in accordance with the substitution and margin maintenance provisions of the Collateral Transfer Agreement and this may lead to a greater concentration risk at different times during the life of the Secured Notes. In this regard, Secured Noteholders should also note the requirement for Collateral Assets in relation to each Series having to satisfy the Concentration Limitation Criteria, as specified in the applicable Pricing Supplement, which may, to some extent, mitigate the concentration risk described above. See also "Secured Noteholder Representative" above as to certain risks that may exist in relation to the amendment of such criteria.

### **Certain Set-off Considerations**

An Obligor to whom the Seller owes other obligations may attempt to satisfy its payment obligation in respect of a Collateral Asset by setting off its other obligations against such payment obligation. Set-off may be contractually agreed between the parties so that it will apply between certain obligations under a contract or across multiple contracts. Set-off of debts owing by an insolvent party may also occur pursuant to applicable insolvency laws where either the Seller or an Obligor is insolvent. Prior to the occurrence of an Event of Default, if an Obligor in respect of a Collateral Asset exercises such set-off in respect of a principal amount of such Collateral Asset, the value of such Collateral Asset will fall which will, in turn, lead to an obligation on the Seller to replace such Collateral Asset or otherwise transfer further Collateral Assets to the Collateral Assets Companies in accordance with the margin maintenance provisions of the Collateral Transfer Agreement.

The risk of set-off is increased in respect of the Trust Proportion of the Collateral Assets the interests in which are acquired by way of a Declaration of Trust as the legal title remains with the Seller under this transfer method and notice of the Declaration of Trust will not be given to the Obligors. Although the terms of some Collateral Assets may contain provisions pursuant to which the relevant Obligors expressly agree to make payments in respect of such Collateral Assets without set-off or counterclaim, the terms of other Collateral Assets may not contain such provisions. Furthermore, it is possible that certain mandatory set-off provisions under applicable insolvency laws may be available to Obligors on a liquidation of the Obligor or the Seller. In the case of a liquidation of the Seller, this would particularly be the case if the applicable Declaration of Trust was held to be in breach of transfer restrictions in the loan agreements.

The occurrence of set-off, whether contractual set-off or on an insolvency of the Seller or an Obligor, may reduce the amounts realised from the Collateral Assets upon an enforcement of the security in respect of the Secured Notes.

Secured Noteholders should be aware that where certain events of default or acceleration events occur under the Secured Notes or other transaction documents, the Issuer is entitled to set-off certain sums payable by it as Seller to the Collateral Assets Company under the Collateral Transfer Agreement against amounts owed to it by the relevant Collateral Assets Company under the Sub-Loan Agreement. Such set-off is allowed notwithstanding the hierarchy of payments specified under the Security Priority in the Secured Notes Guarantee and may result in Secured Noteholders recovering less under the Secured Notes Guarantee than they might otherwise have recovered but for such set-off. However, payment obligations of the Issuer as Seller under the Collateral Transfer Agreement and under the Secured Notes are each unsecured and unsubordinated and to the extent of a shortfall in payments under the Secured Notes Guarantee Secured Noteholders retain their direct claims for the shortfall directly against the Issuer under the Secured Notes.

### **Recharacterisation risk as a secured loan**

The Transfer Agreements are governed by English law and have been structured in a way that should not be construed under English law as the creation of a security interest in the Collateral Assets. However, in relation to any Collateral Assets that are held or booked in a branch of the Seller that is outside the European Economic Area there is a risk that the insolvency laws of that jurisdiction will be applicable in the event of an insolvency of the Seller. In particular, if the Collateral Assets were originally held or booked in the New York branch or the Connecticut branch of the Seller, insolvency proceedings in respect of such branches may be commenced in New York or Connecticut, as applicable, notwithstanding that such branches are branches of a public limited company incorporated in Scotland. If such proceedings were commenced, a New York court or a Connecticut court, as applicable, should respect the application of English law to the transaction so long as England bears a reasonable relationship to the transaction and application of English law would not violate a fundamental public policy of the state of New York or Connecticut, as applicable. However, there can be no assurance that a New York court or a Connecticut court would take such view. In particular, in respect of Trust Assets, if such a court took the view that in the circumstances the choice of English law should not be recognised then there is a risk that, upon application of New York law or Connecticut law, as applicable, a New York court or a Connecticut court would not treat the applicable Declaration of Trust as being effective in removing the beneficial interest in the Trust Assets from the property of the Seller.

### **Risks Relating to Corporate Loans**

The market value of the Collateral Assets that are corporate loans will generally fluctuate with, among other things, changes in prevailing interest rates, general economic conditions, the condition of certain financial markets, exchange rate fluctuations, international political events, developments or trends in

any particular industry and the financial condition of the Obligors. The financial markets periodically experience substantial fluctuations in prices for corporate loans and limited liquidity for such obligations. In particular, a downturn in the market and industries in which the Obligors of such loans operate will materially impact the market value of such loans. No assurance can be made that the conditions giving rise to such price fluctuations and limited liquidity will not occur, subsist or become more acute following the applicable Issue Date.

### **Risks relating to non-investment grade Collateral Assets**

Investors should be aware the Collateral Assets may consist of non-investment grade Collateral Assets (i.e. Collateral Assets which have a rating which is below the four investment-grade rating categories). Compared to investment grade assets, such Collateral Assets tend to be less liquid, may have a higher risk of default or of adverse changes in the financial condition of an Obligor and may be more difficult to value. As noted above, economic recessions or downturns may cause defaults or losses on Collateral Assets to increase and such effects may be exaggerated or exacerbated in respect of non-investment grade Collateral Assets. Non-investment grade Collateral Assets are considered speculative, and their capacity to pay principal and interest in accordance with their terms is not ensured.

### **Risks relating to Collateral Assets which are revolving loans**

Collateral Assets which are revolving loans will have a short legal maturity of the next date on which the relevant loan must be repaid and on such maturity may be redrawn in whole or in part (often referred to as a "roll"). Certain revolving loans may also provide that in the case of a default or an insolvency of the Seller their legal maturity will be extended to the final maturity of the facility under which such loans were made. Further, certain Collateral Assets which are revolving loans may allow the relevant Obligor(s) on the date of each roll to set-off their obligation to repay the drawn amount of such Collateral Asset against the Seller's obligation to pay the amount redrawn by such Obligor(s). Investors should however note that, by operation of the terms the Declaration of Trust, following a roll and notwithstanding any set-off effected by the relevant Obligor(s), a trust will automatically be declared over the redrawn amount (up to an amount equal to the principal amount of the repaid loan) under the facility in favour of the relevant Collateral Assets Company. Investors should see further the paragraph entitled "*Certain Set-off Considerations*" above.

As a result of the above, investors should be aware that, notwithstanding that some Collateral Assets which are revolving loans may have a short legal maturity of the date of the next roll as specified by the terms of the facility, the reality of future payments and redraws will mean that, in effect, the economic maturity of the relevant Collateral Asset may be the final maturity of the facility.

### **Liquidity of Collateral Assets**

Certain Collateral Assets contemplated in respect of the Secured Notes are subject to contractual restrictions imposed by the issuer / originator of such Collateral Assets, which may affect the liquidity, and timing of any potential transfer of such Collateral Assets upon the occurrence of an Event of Default and the Security becoming enforceable. The Issuer is not in a position to express a view on the likelihood of any such impact on liquidity or timing of any such transfer.

### **Risks relating to Secured Noteholder Reports and Issuer Secured Noteholder Reports**

The Verification and Reporting Agent will make available Secured Noteholder Reports in respect of Non-Euroclear Collateral Assets in the conditions specified in the Collateral Agency Agreement. The Issuer may, subject to the satisfaction of the conditions set out in Condition 30, provide information in respect of Euroclear Collateral Assets (or a group or groups thereof) and the Obligors of such Collateral Assets in the form of an Issuer Secured Noteholder Report to Secured Noteholders upon written request. Separately, the Issuer may also, in some cases, provide additional information in respect of Non-

Euroclear Collateral Assets. The provision of Secured Noteholder Reports, Issuer Secured Noteholder Reports or such additional information may be subject to, *inter alia*, the relevant Secured Noteholder entering into and agreeing to be bound by a confidentiality agreement in form and substance satisfactory to the Issuer. A prospective purchaser of the Secured Notes in the secondary market may be required to enter into and be bound by similar confidentiality agreements with the Issuer before receiving a Secured Noteholder Report, an Issuer Secured Noteholder Report or such additional information, which could affect the liquidity of the Secured Notes. If such prospective purchaser does not satisfy the relevant conditions set out in Condition 30, the Issuer reserves the right to refrain from disclosing the Secured Noteholder Reports, Issuer Secured Noteholder Reports or such additional information to such prospective purchaser, including where such Secured Noteholder Reports, Issuer Secured Noteholder Reports or such additional information may have been made available to the Secured Noteholder transferring the Secured Notes. In such circumstance, there may be legal and regulatory limitations on such transferor's ability to transfer the Secured Notes. The timing and limited scope of the information provided to Secured Noteholders regarding the Collateral Assets and the Obligors of the Collateral Assets may also affect the ability of Secured Noteholders to value the Secured Notes accordingly. See further Conditions 29 and 30 under the section entitled "Additional Terms and Conditions of the Secured Notes".

In particular, the Issuer may have provided specific information regarding the Collateral Assets to one or more strategic investors (including potentially prior to the Issue Date) subject to each such strategic investor entering into and agreeing to be bound by a confidentiality agreement in form and substance satisfactory to the Issuer. Such information will be made available to all investors or prospective investors on application to the Issuer provided that each such investor or prospective investor enters into and agrees to be bound by a confidentiality agreement in form and substance satisfactory to the Issuer. A prospective investor of the Secured Notes in the secondary market will be required to enter into and be bound by similar confidentiality agreements with the Issuer before receiving any such information, which could affect the liquidity of the Secured Notes. If such prospective investor does not enter into and agree to be bound by a confidentiality agreement in form and substance satisfactory to the Issuer, the Issuer reserves the right to refrain from disclosing such information to such prospective investor, including where such information may have been made available to a Secured Noteholder transferring the Secured Notes. In such circumstance, there may be legal and regulatory limitations on such transferor's ability to transfer the Secured Notes given it may be in possession of price sensitive information in respect of the Secured Notes.

### ***Risks relating to the Declaration of Trust***

#### **No Direct Right to Enforce Collateral Assets Against Obligors**

The Collateral Assets relating to a Series the interests in which are acquired by way of Declaration of Trust will not be assigned to the relevant Collateral Assets Companies and legal title to the Collateral Assets will remain with the Seller under the Declaration of Trust for such Series. Accordingly, neither the relevant Collateral Assets Companies nor the Trustee will be in privity of contract with the Obligors under the Collateral Assets and will not have the right to assert claims or effect remedies directly against the Obligors. In the event of defaults by Obligors under the Collateral Assets, the relevant Collateral Assets Companies and the Trustee will have rights solely against the Seller under the applicable Declaration of Trust and will have no rights against the Obligors under the Collateral Assets and only the Seller will be entitled to take any remedial actions or exercise any votes permitted to be taken or given thereunder.

## **Risks Arising on an Insolvency of the Seller**

The applicable Declaration of Trust creates in favour of the relevant Collateral Assets Companies a beneficial interest in the Trust Assets. In the event a liquidator or administrator were to be appointed in respect of the business and property of the Seller where the method of transfer used is a Declaration of Trust, each relevant Collateral Assets Company believes that the trust (upon execution of the applicable Declaration of Trust) will be validly constituted and that the effect of the trust will be to remove the beneficial interest in the Trust Assets acquired by each relevant Collateral Assets Company under the applicable Declaration of Trust from the property of the Seller available to a liquidator or administrator of the Seller for distribution to the general creditors of the Seller. There can be no assurance, however, that a court would reach the same conclusion.

It is possible that a liquidator or administrator appointed in relation to the business and property of the Seller may commence proceedings to challenge the validity and effectiveness of the trust for the purpose of including the beneficial interest in the Trust Assets acquired by the relevant Collateral Assets Companies under the applicable Declaration of Trust in the property and estate of the Seller. If proceedings were commenced against any relevant Collateral Assets Company or in relation to the trust, delays in distributions on the Secured Notes, possible reductions in the amount of payments of principal and interest on the Secured Notes and limitations on the exercise of remedies under the Transaction Documents could occur.

See further the paragraph entitled "*Insolvency Considerations Relating to the Seller and the relevant Collateral Assets Companies*" above.

## **Commingling and asset identification risk**

The Asset Trust requires the assets the subject of such Asset Trust to be clearly ascertainable. The Collateral Assets Report will identify each Collateral Asset by reference to its internal code used by the Seller to identify the exact Collateral Asset on its data systems. If the incorrect internal code is shown on the Collateral Assets Report or the internal code does not allow for the identification of a particular asset of the Seller, the Asset Trust will not be effective over the intended Trust Asset and such asset would not form part of the portfolio available to the Collateral Assets Companies.

For the Asset Trust in respect of any Trust Assets to be effective, the Trust Assets must be clearly identified and, in respect of any interest, principal or other distribution or proceeds received by the Seller in respect thereof, they must also be segregated upon receipt by the Seller. In this regard Secured Noteholders should note that, to the extent such interest, principal or other distribution or proceeds received as cash are paid into the Seller's own account rather than in a segregated account on trust for the relevant Collateral Assets Companies, such cash is likely to lose its identity and may not be subject to the trust although this is unlikely to affect the validity of the trust over the receivables giving rise to such cash proceeds. It may therefore be the case that, upon the insolvency of the Seller and in the period of time between the Seller receiving Trust Assets in the form of cash and the payment of such Trust Assets into accounts in the name of relevant Collateral Assets Companies, such Trust Assets would not be sufficiently identifiable so as to form part of the Asset Trust and would therefore form part of the general estate of the Seller and the relevant Collateral Assets Companies would have to claim as general creditors of the Seller for such amounts. However, pursuant to the terms the Declaration of Trust, the Seller undertakes that, upon receipt by it of Trust Assets in the form of cash, it shall, following an insolvency of the Seller, pay such Trust Assets to accounts of the relevant Collateral Assets Companies following receipt thereof.

Secured Noteholders should also note that upon an administration or liquidation of the Seller, the relevant Collateral Assets Companies would be reliant on the administrator or liquidator of the Seller complying with the Seller's undertaking to segregate and clearly identify any interest, principal or other

distribution or proceeds in respect of the Trust Assets upon receipt of such amounts by the Seller. However, if the administrator or liquidator does not do so, and instead such amounts are paid into the Seller's bankrupt estate, the trust over such amounts may be ineffective due to lack of ability to identify such amounts.

### **Restrictions on Transfers of Loan Agreements**

There are provisions in some loan agreements which limit or restrict the transfer or assignment of the Collateral Assets and the related loan agreement. The applicable Declaration of Trust has been structured with the intention that such limitations or restrictions are not contravened by the creation of the trust which will remain in force. Such limitations or restrictions on transfer and the provisions of the applicable Declaration of Trust will not permit the appointment of a substitute trustee even in the event of a default by the Seller in the performance of its obligations thereunder. Furthermore, Secured Noteholders should note that certain mandatory set-off provisions under applicable insolvency laws would continue to be available to Obligors on a liquidation of the Seller if the applicable Declaration of Trust was held to be in breach of transfer restrictions in the loan agreements. See further "*Certain Set-off Considerations*" above.

### **Competing proprietary claims**

In certain jurisdictions where some Obligors may be incorporated, third party creditors of the Seller may in certain circumstances obtain rights *in rem* in respect of amounts due under the Collateral Assets. Such rights may have priority over the rights of the relevant Collateral Assets Companies to receive such amounts and may therefore be prejudicial to the Collateral Assets Companies' rights and interest in such Collateral Assets. This risk is heightened in respect of Collateral Assets the interests of which are acquired by way of Declaration of Trust where the Obligors are located in jurisdictions in which the relevant Collateral Assets Companies' beneficial interest is not recognised due to the laws of such jurisdiction not recognising the concept of a trust or not recognising trusts validly created under English law.

### ***Risks relating to the market generally***

Set out below is a brief description of certain regulatory risks, market risks, including liquidity risk, exchange rate risk and credit risk.

### **Possible illiquidity of the Secured Notes in the Secondary Market**

There can be no assurance as to how any Secured Notes will trade in the secondary market or whether such market will be liquid or illiquid. Application may be made to list Secured Notes on a stock exchange, as indicated in the applicable Pricing Supplement. The fact that Secured Notes may be listed does not necessarily lead to greater liquidity. No assurance can be given that there will be a market for any Secured Notes. If any Secured Notes are not traded on any stock exchange, pricing information for such Secured Notes may be more difficult to obtain, and the liquidity and market prices of such Secured Notes may be adversely affected. The liquidity of Secured Notes may also be affected by restrictions on offers and sales of Secured Notes in some jurisdictions, which may also make Secured Notes more difficult to obtain and the liquidity of the Secured Notes may be adversely affected. Also, to the extent Secured Notes of a particular issue are exercised, the number of Secured Notes of such issue outstanding will decrease, resulting in a diminished liquidity for the remaining Secured Notes of such issue. A decrease in the liquidity of an issue of Secured Notes may cause, in turn, an increase in the volatility associated with the price of such issue of Secured Notes.

Each of the Issuer and any Dealer may, but is not obliged to, at any time purchase Secured Notes at any price in the open market or by tender or private treaty. Any Secured Notes so purchased may be held or

resold or surrendered for cancellation. A Dealer may, but is not obliged to, be a market-maker for an issue of Secured Notes. Even if a Dealer is a market-maker for an issue of Secured Notes, the secondary market for such Secured Notes may be limited. To the extent that an issue of Secured Notes becomes illiquid, an investor may have to exercise such Secured Notes to realise value.

### **Over-Issuance**

As part of its issuing, market-making and/or trading arrangements, the Issuer may issue more Secured Notes than those which are to be subscribed or purchased by third party investors. The Issuer (or any of its affiliates) may hold such Secured Notes for the purpose of meeting any investor interest in the future. Prospective investors in the Secured Notes should therefore not regard the issue size of any Series as indicative of the depth or liquidity of the market for such Series, or of the demand for such Series.

### **Exchange rate risks and exchange controls**

The Issuer will pay principal and interest on the Secured Notes in the Specified Currency specified in the applicable Pricing Supplement. 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 Secured Notes, (ii) the Investor's Currency equivalent value of the principal payable in respect of the Secured Notes and (iii) the Investor's Currency equivalent market value of the Secured 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.

### **Market Value of Secured Notes**

The market value of an issue of Secured Notes will be affected by a number of factors independent of the creditworthiness of the Issuer, including, but not limited to:

- (i) the value and volatility of any relevant Reference Item(s) and/or Collateral Assets;
- (ii) market interest and yield rates;
- (iii) fluctuations in exchange rates;
- (iv) liquidity of the Secured Notes in the secondary market;
- (v) the time remaining to any redemption date or the maturity date; and
- (vi) economic, financial and political events in one or more jurisdictions, including factors affecting capital markets generally.

The price at which a Secured Noteholder will be able to sell any Secured Notes prior to maturity may be at a discount, which could be substantial, to the market value of such Secured Notes on the issue date, if, at such time, the market price of the Reference Item(s) (if any) and/or Collateral Asset(s) is below, equal to or not sufficiently above the market price of the Reference Item(s) and/or Collateral Asset(s) on the issue date. The historical market prices of any Reference Item or Collateral Asset should not be taken as an indication of such Reference Item's or Collateral Asset's future performance during the term of any Secured Note.

**Effect of credit rating reduction**

The value of the Secured Notes is expected to be affected, in part, by investors' general appraisal of the Issuer's creditworthiness. Such perceptions are generally influenced by the ratings accorded to the Issuer's outstanding securities by standard statistical rating services, such as Moody's, S&P and Fitch. A reduction in the rating, if any, accorded to outstanding debt securities of the Issuer by one of these rating agencies could result in a reduction in the trading value of the Secured Notes.

***Prospective investors who consider purchasing any Secured Notes should reach an investment decision only after carefully considering the suitability of such Secured Notes in light of their particular circumstances.***

## SUMMARY OF THE PRINCIPAL SECURED NOTES DOCUMENTS

The following is a summary of the terms of the principal agreements likely to be entered into by the Issuer and the relevant Collateral Assets Companies in connection with a single Series of Secured Notes and the acquisition of the related Collateral Assets (in each case the relevant **Secured Notes Documents**). The applicable Secured Notes Documents in relation to any Series of Secured Notes may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the following terms, replace or modify the following terms for the purpose of such Secured Notes. Reference should be made to the applicable Pricing Supplement and Constituting Instrument for a complete description of the relevant Secured Notes Documents in respect of a Series. The statements in this Base Prospectus are summaries of the relevant Secured Notes Documents and are subject to the detailed provisions of the relevant Secured Notes Documents.

### A. Summary of the Guarantee and Security Trust Deed

The Guarantee and Security Trust Deed, made between the Issuer, the relevant Collateral Assets Companies and the Trustee on the Issue Date of the relevant Series and constituted by the Constituting Instrument, governs the creation of the security trust over the Mortgaged Property and the grant of the Secured Notes Guarantee in respect of the relevant Series. In relation to each Series, a separate Guarantee and Security Trust Deed will be entered into pursuant to the relevant Constituting Instrument.

The Guarantee and Security Trust Deed also contains provisions relating to, *inter alia*:

- the terms of the Secured Notes Guarantee (as described below);
- the enforcement procedures relating to the security over the Collateral Assets and the other Mortgaged Property and the Secured Notes Guarantee;
- the covenants of the Issuer and the Collateral Assets Companies; and
- the appointment, powers and responsibilities of the Trustee and any Receiver appointed in respect of the Collateral Assets Companies and the circumstances in which the Trustee may resign or retire or be removed.

#### *Secured Notes Guarantee*

Under the terms of the Secured Notes Guarantee, the relevant Collateral Assets Companies, as principal obligors, jointly and severally irrevocably guarantee to the Trustee, for the benefit of the Secured Noteholders, the prompt performance by the Issuer of its obligations to pay the Guaranteed Amounts. If the Issuer defaults in the punctual payment of any of the Guaranteed Amounts, the Collateral Assets Companies have agreed (subject as described below) to pay or procure to be paid (following delivery of an Acceleration Notice and upon the service by the Trustee of a Notice to Pay on each relevant Collateral Assets Company) unconditionally and irrevocably to or to the order of the Trustee (for the benefit of the Secured Noteholders), an amount equal to those Guaranteed Amounts when the same shall become due and payable.

Following the occurrence of an Event of Default and delivery of an Acceleration Notice, the Trustee will promptly deliver a Notice to Pay to each relevant Collateral Assets Company requiring the relevant Collateral Assets Companies to pay the Guaranteed Amounts jointly and severally. Payment by the Collateral Assets Companies of the Guaranteed Amounts pursuant to the Secured Notes Guarantee will be made to, or to the order of, the Trustee upon receipt by the relevant Collateral Assets Companies of such Notice to Pay.

All payments of Guaranteed Amounts by or on behalf of a Collateral Assets Company shall be made without withholding or deduction for, or on account of, any present or future tax, duties, assessment or other governmental charges of whatever nature, unless the withholding or deduction is required by law or regulation or administrative practice of any jurisdiction. If any such withholding or deduction is required, the relevant Collateral Assets Company will pay the Guaranteed Amounts net of such withholding or deduction and will account to the appropriate tax authority for the amount required to be withheld or deducted. The relevant Collateral Assets Company will not be obliged to pay any additional amount to the Trustee or any holder of Secured Notes in respect of the amount of such withholding or deduction.

Under the terms of the Secured Notes Guarantee, each relevant Collateral Assets Company will agree that its obligations under the Secured Notes Guarantee shall be as if it were principal debtor and not merely as surety or guarantor and shall be absolute and (following service of a Notice to Pay) unconditional, irrespective of, and unaffected by, any invalidity, irregularity or unenforceability of, or defect in, any provisions of the Guarantee and Security Trust Deed or any other Transaction Document, or the Secured Notes, or the absence of any action to enforce the same or the waiver, modification or consent by the Trustee or any of the Secured Noteholders in respect of any provisions of the same or the obtaining of any judgment or decree against the Issuer or any action to enforce the same or any other circumstances which might otherwise constitute a legal or equitable discharge or defence of a guarantor.

Unless otherwise specified in the applicable Pricing Supplement, each relevant Collateral Assets Company will grant to the Trustee, on behalf of the Secured Noteholders and the other Secured Parties, security over, *inter alia*, all of its rights in respect of the Collateral Assets for each Series pursuant to the applicable Guarantee and Security Trust Deed to secure its obligations under the relevant Series of Secured Notes, the relevant Transfer Agreement(s) and the applicable Sub-Loan Agreement:

- (a) a first ranking charge and a first ranking assignment by way of security of all of its rights to the Collateral Assets, including all sums and/or assets received or receivable (if any) under any such assets or rights, and all benefits, interests, rights and title in respect thereof or relating thereto whether or not against third parties;
- (b) a first ranking assignment by way of security of its rights under the Transfer Agreement(s), the Collateral Agency Agreement, the Collateral Services Agreement (if any) and the Secured Notes Guarantee (including, for the avoidance of doubt, any subrogation rights in respect thereof);
- (c) a first ranking charge and a first ranking assignment by way of security of all of its rights, present and future, to any Custody Account in respect of such Series (including each cash account relating to such Custody Account) and any securities or cash held therein, all interest paid or payable in relation to those securities or amounts and the debts represented thereby; and
- (d) a first ranking charge and a first ranking assignment by way of security of its rights, present and future, in to and under any Series Accounts in respect of such Series and all amounts standing to the credit thereof, all interest paid or payable in relation to those amounts and the debts represented thereby.

All amounts received by the Trustee upon realisation of, or enforcement with respect to, the security constituted by or pursuant to the Security Documents in respect of a Series shall be applied in accordance with the order set out below, unless otherwise specified in the applicable Pricing Supplement:

- (a) to the payment of taxes owing by the relevant Collateral Assets Companies;

- (b) to the payment of all amounts due but unpaid to the Trustee and any Receiver appointed in respect of the relevant Collateral Assets Companies under the Guarantee and Security Trust Deed;
- (c) to the payment of all amounts due but unpaid to the Collateral Agents pursuant to the Collateral Agency Agreement;
- (d) in meeting all claims of the Secured Noteholders pursuant to the Secured Notes Guarantee in respect of due but unpaid interest on the Secured Notes on a *pari passu* and *pro rata* basis;
- (e) in meeting all claims of the Secured Noteholders pursuant to the Secured Notes Guarantee in respect of due but unpaid principal on the Secured Notes on a *pari passu* and *pro rata* basis;
- (f) to the payment of all amounts due but unpaid to the Seller under the Transfer Agreements, the Asset Trustee under the relevant Declaration of Trust and the Issuer under the Sub-Loan Agreement; and
- (g) any remaining amounts will be paid to the relevant Collateral Assets Companies in proportions equal to each relevant Collateral Assets Company's Applicable Purchase Price divided by the Purchase Price.

For the avoidance of doubt, Secured Noteholders in respect of a Series will not have recourse to the Mortgaged Property in respect of other Series and will only have recourse to the Mortgaged Property in respect of a Series following the operation of any set-off of amounts owing by the Issuer to the Collateral Assets Company under the Collateral Transfer Agreement and amounts owing by the Collateral Assets Company to the Issuer under the Sub-Loan Agreement.

The Secured Notes Guarantee in respect of a Series of Secured Notes may also be secured by Additional Security Document(s) and/or on such other assets as may be specified in the applicable Pricing Supplement.

The Security will become immediately enforceable upon the service of a Notice to Pay by the Trustee following the delivery of an Acceleration Notice by the Trustee in accordance with Condition 19 (*Events of Default*) following the occurrence an event described as an "Event of Default" in the Programme Document and any of the following events:

- (a) a relevant Collateral Assets Company breaches any terms of the Transaction Documents (other than a failure to pay under the Secured Notes Guarantee) that is materially prejudicial to the interests of the Secured Noteholders, and that breach has not been remedied within 30 calendar days after the earlier of such Collateral Assets Company having actual knowledge of the breach and the Issuer and such relevant Collateral Assets Company having received notice thereof from the Trustee; or
- (b) the relevant Secured Notes Guarantee ceases to be effective; or
- (c) an order is made or an effective resolution passed for the liquidation or winding up of any relevant Collateral Assets Company (otherwise than in connection with a scheme of reconstruction, merger or amalgamation the terms of which have previously been approved by an Extraordinary Resolution of the Secured Noteholders); or
- (d) a Default Notice is delivered to the Defaulting Party pursuant to paragraph 11 (*Events of Default*) of the Collateral Transfer Agreement.

The Guarantee and Security Trust Deed will be governed by English law.

## B. Summary of the Collateral Transfer Agreement

The Collateral Transfer Agreement, made between the relevant Collateral Assets Companies, the Seller and the Trustee on the Issue Date of the relevant Series and constituted by the Constituting Instrument, governs the acquisition of the Collateral Assets and the margin maintenance obligations of the Seller, in each case, in respect of such Series. In relation to each Series, a separate Collateral Transfer Agreement will be entered into pursuant to the relevant Constituting Instrument.

The Collateral Assets to be transferred to or acquired by the relevant Collateral Assets Companies pursuant to the Collateral Transfer Agreement and the method of such transfer or acquisition will be specified in (a) a duly completed Collateral Assets Report delivered by the Seller to the relevant Collateral Assets Companies and available to the Trustee upon request and (b) a duly completed Agent Collateral Assets Report (where such report will identify each Non-Euroclear Collateral Asset by reference to the internal code used by the Seller and will specify only the Euroclear Purchase Price (by reference to which Euroclear Collateral Assets are margined) in the case of Euroclear Collateral Assets) delivered by the Valuation Agent to the Verification and Reporting Agent, in each case, on or after the Issue Date in respect of the relevant Series of Secured Notes. The entry into the Constituting Instrument in respect of the relevant Series by the relevant Collateral Assets Companies and the Seller will constitute a single collateral transfer transaction in respect of the relevant Series save where "Collateralisation/Decollateralisation" is specified as being applicable in the applicable Pricing Supplement, in which case a collateral transfer transaction shall be constituted on each relevant Collateralisation Date. Where there is more than one relevant Collateral Assets Company specified in the Pricing Supplement in respect of such Series, the Collateral Assets Report and the Agent Collateral Assets Report will specify which Collateral Assets are transferred or acquired by which Collateral Assets Company on the applicable Collateral Assets Report Date (including which Trust Assets are held on trust for which Collateral Assets Company pursuant to the applicable Declaration of Trust). The obligations of such Collateral Assets Companies will be aggregated and such Collateral Assets Companies will be considered as one party for the purposes of determining whether margin maintenance transfers are to be made to or from such Collateral Assets Companies pursuant to the Collateral Transfer Agreement.

Under the Collateral Transfer Agreement on or after the Issue Date in respect of the relevant Series, or if "Collateralisation/Decollateralisation" is specified as being applicable in the applicable Pricing Supplement, on each Collateralisation Date, or, in relation to any Tranches of Further Secured Notes, the date on which such Further Secured Notes are issued (the **Purchase Date**), the Seller will transfer and each relevant Collateral Assets Company will purchase the Collateral Assets.

The consideration payable by a Collateral Assets Company to the Seller for the relevant Collateral Assets will consist of an amount equal to the product of (a) the Aggregate Nominal Amount of the Secured Notes and (b) the applicable Issue Price (the **Applicable Purchase Price**).

Each of the Seller and each relevant Collateral Assets Company will agree that the payment of the Applicable Purchase Price under the Collateral Transfer Agreement may be set-off against the payment of Advances to the relevant Collateral Assets Companies under the Sub-Loan Agreement.

On the earlier of (i) if "Collateralisation/Decollateralisation" is specified as being applicable in the applicable Pricing Supplement, the next following Decollateralisation Date, (ii) the Maturity Date and (ii) the Issuer Optional Redemption Date, the Noteholder Optional Redemption Date or the date otherwise specified for redemption in accordance with Conditions 5(b), 5(c), 5(d), 5(j) or 5(k), respectively, provided that the Secured Notes are redeemed in full on such date (the **Repurchase Date**), each relevant Collateral Assets Company will offer to sell the Collateral Assets to the Seller. If the Seller accepts such offer, the Seller will pay to the relevant Collateral Assets Companies the Repurchase Price and, subject to their right to elect to transfer Equivalent Assets to the Seller, the relevant Collateral Assets Companies

will transfer the relevant Collateral Assets to the Seller. The payment of the Repurchase Price by the Seller may be set off against the repayment of the applicable Advances under the Sub-Loan Agreement by the relevant Collateral Assets Companies.

On the Purchase Date, or if "Collateralisation/Decollateralisation" is specified as being applicable in the applicable Pricing Supplement, each Purchase Date:

- (a) in respect of a Series of Secured Notes which is not a Euroclear Bond Collateral Series, the Seller will transfer those Collateral Assets that are Bonds to each relevant Collateral Assets Company, to be held by the Custodian on behalf of the relevant Collateral Assets Company in accordance with the terms of the Collateral Agency Agreement, against the payment of the Applicable Purchase Price by the relevant Collateral Assets Company;
- (b) in respect of a Euroclear Bond Collateral Series, the Seller will transfer those Collateral Assets that are Bonds in accordance with the Collateral Services Agreement;
- (c) the Seller will ensure that, in respect of the Trust Proportion of those Collateral Assets the beneficial interest in which is to be acquired by each relevant Collateral Assets Company pursuant to a Declaration of Trust (as specified in the Collateral Assets Report), the beneficial interest in the Trust Proportion of such Collateral Assets is held by the Seller as Asset Trustee in accordance with the Declaration of Trust, against and simultaneously with the payment of the Applicable Purchase Price by the relevant Collateral Assets Company;
- (d) the Seller will transfer Collateral Assets that are Cash to each relevant Collateral Assets Company, to be held by the Collateral Account Bank in the applicable Series Account, against the payment of the Applicable Purchase Price by the relevant Collateral Assets Company; and
- (e) the Seller will transfer Collateral Assets that are any Other Collateral Asset Type(s) to each relevant Collateral Assets Company in accordance with the method of transfer described in any Drawdown Document published in respect of such Other Collateral Asset Type(s).

For the purposes hereof:

**Collateral Services Agreement** means in respect of a Euroclear Bond Collateral Series, the tripartite collateral services agreement entered into between Euroclear, the Seller and the Custodian on behalf of each relevant Collateral Assets Company in respect of such Series;

**Collateral Value** means the value in respect of a Collateral Asset or Equivalent Asset (i) in respect of Series of Secured Notes other than Euroclear Bond Collateral Series, as determined by the Valuation Agent acting in good faith and a commercially reasonable manner in accordance with the Collateral Value Methodology as specified in the applicable Pricing Supplement, or (ii) in respect of Euroclear Bond Collateral Series, as determined by Euroclear in accordance with the terms of the Collateral Services Agreement.

**Collateral Value Methodology** means (i) Market Quotation, (ii) Par Valuation or (iii) DCF Valuation, as specified in the applicable Pricing Supplement;

**DCF Valuation** means, in respect of a Collateral Asset or Equivalent Asset, the determination of the present value of the projected cashflows of such Collateral Asset or Equivalent Asset, discounted to the date of determination using a discount rate derived from observable market data (as further described in the Pricing Supplement) such as the pricing of bonds, loans or credit default swaps or indices comprised of bonds, loans or credit default swaps.

**Equivalent Assets** means assets equivalent to the relevant Collateral Assets as determined by the relevant Collateral Assets Companies including (i) if and to the extent that such Collateral Assets have been redeemed, a sum of money equivalent to the proceeds of the redemption and (ii) other than in the event of a redemption of such Collateral Assets, a sum of money equal to the Collateral Value of such Collateral Assets. For the avoidance of doubt, other than in the case of cash, an asset must have the same obligor and be of the same credit quality as the relevant Collateral Asset to be considered "equivalent" to such Collateral Asset.

**Euroclear Bond Collateral Series** means, a Series of Secured Notes the Pricing Supplement in respect of which specifies "Euroclear – Collateral Services Agreement" as Applicable.

**Market Quotation** means the determination of the value in respect of a Collateral Asset or Equivalent Asset by reference to quotations or pricing levels provided by one or more leading independent dealers or published by one or more independent pricing sources (as further described in the Pricing Supplement).

**Par Valuation** means, in respect of a Collateral Asset or Equivalent Asset, the determination of the nominal amount of such Collateral Asset or Equivalent Asset.

**Related Security** means, in respect of a Collateral Asset, all of the Seller's right, title and benefit in and to any security for such Collateral Asset, including any mortgage or standard security, guarantee, cash reserve, assignment or assignation or other collateral, intercreditor agreement or deed of priority and any policies of insurance held by or in favour of the Seller in respect of such Collateral Asset or any of such related security, provided that where any such security is security in respect of both such Collateral Asset and other obligations of the relevant Obligor to the Seller or if such Collateral Asset relates to a portion only of the drawn amount of the relevant debt obligation, then Related Security in relation to such Collateral Asset shall be such proportion of such security representing the proportion such Collateral Asset represents to all such other obligations of the relevant Obligor, including in respect of the portion of the drawn amount of the relevant debt obligation which is not subject to the Asset Trust.

**Repurchase Price** means, on any Business Day, the Collateralised Amount.

**Verification and Reporting Agent** means The Bank of New York Mellon SA/NV, Dublin Branch or such other verification and reporting agent specified in the applicable Pricing Supplement.

#### *Eligibility Criteria*

Each Collateral Asset must satisfy the following criteria:

- (a) it is a Collateral Asset Type;
- (b) (i) it is capable of being transferred to the relevant Collateral Assets Company and is capable of being retransferred by the relevant Collateral Assets Company or (ii) the beneficial interest of the Trust Proportion in respect of such Collateral Asset is capable of being acquired by the relevant Collateral Assets Companies pursuant to a Declaration of Trust and of being relinquished by the relevant Collateral Assets Company, in each case without a breach of any applicable law or regulation or selling restriction and the relevant Collateral Assets Company does not require any authorisations, consents approvals or filings (other than such as have been obtained or effected) as a result of or in connection with any such transfer, retransfer, acquisition or relinquishment under any applicable law;
- (c) upon acquisition thereof or the acquisition of the beneficial interest therein by the relevant Collateral Assets Companies, the relevant Collateral Assets Company's interest in the relevant Collateral Assets is capable of being, and will be, the subject of a first

ranking charge or a first ranking assignment by way of security in favour of the Trustee for the benefit of the Secured Parties pursuant to the Guarantee and Security Trust Deed (or any deed or document supplemental thereto) or any Additional Security Document;

- (d) in the opinion of the Seller, (i) it is performing and (ii) it does not have a significant risk of becoming a Defaulted Obligation with the lapse of time;
- (e) it is an obligation in respect of which, following acquisition thereof by the relevant Collateral Assets Company, payments will not be subject to withholding tax imposed by any jurisdiction including where this is pursuant to the operation of an applicable tax treaty subject to the completeness of any procedural formalities; and
- (f) it satisfies any Additional Eligibility Criteria, as specified in the applicable Pricing Supplement in respect of the relevant Series.

If upon receipt of an Agent Collateral Assets Report pursuant to the terms of the Collateral Transfer Agreement, the Verification and Reporting Agent determines that the Collateral Assets specified in such Agent Collateral Assets Report do not satisfy the Eligibility Criteria or the Concentration Limitation Criteria (other than Eligibility Criteria (b), (c), (d) and (e) compliance in respect of which the Verification and Reporting Agent shall not be required to verify) the Verification and Reporting Agent will notify the Seller and the relevant Collateral Assets Companies, and the Seller will deliver another Collateral Assets Report to the relevant Collateral Assets Companies and the Valuation Agent will deliver another Agent Collateral Assets Report to the Verification and Reporting Agent, which such delivery shall confirm and effect the changes to the Collateral Assets in respect of the relevant Series of Secured Notes.

#### *Periodic Payments*

Other than in respect of a Euroclear Bond Collateral Series, prior to the service of a Default Notice on the Seller, each relevant Collateral Assets Company shall, on the date on which it receives any Income (whether received directly from the relevant Obligor or from the Seller pursuant to the applicable Transfer Agreement(s)), pay to the Seller an amount equal to (and in the same currency as) such Income, provided that payment of such amount by the relevant Collateral Assets Company may be set off against amounts due from the Seller to the relevant Collateral Assets Company under such Transfer Agreement(s).

Other than in respect of a Euroclear Bond Collateral Series, prior to the service of a Default Notice on the relevant Collateral Assets Companies, the Seller shall pay to each relevant Collateral Assets Company on the relevant Loan Interest Payment Date each interest amount payable by such Collateral Assets Company under the Sub-Loan Agreement in respect of such Loan Interest Payment Date in relation to the relevant Series, provided that payment of such amounts by the Seller may be set off against such interest amounts payable by such relevant Collateral Assets Company to the Seller (acting as lender) under the Sub-Loan Agreement.

For the purposes hereof:

**Concentration Limitation Criteria** means, with respect to any Series, criteria which limit the concentration of certain classes of similar Collateral Assets acquired in respect of such Series and which such criteria may include, but shall not be limited to, limitations on the Collateral Assets (a) of a single obligor, (b) categorised in the same industry sector or (c) denominated in the same currency, as well as any other requirements set forth in the applicable Pricing Supplement as "Concentration Limitation Criteria".

**Defaulted Obligation** means an obligation in respect of which (i) an event of default has been declared and is continuing or (ii) an insolvency proceeding has been initiated and is continuing in respect of the principal obligor thereof.

**Default Notice** means a written notice served by the non Defaulting Party (or the Trustee) on the Defaulting Party under the Collateral Transfer Agreement (as such terms are defined therein) stating that an event shall be treated as an Event of Default for the purposes of the Collateral Transfer Agreement.

**Income** means, with respect to any Collateral Asset at any time, all amounts of principal, interest or other distributions thereon, including amounts in respect of interest on Collateral Assets that are cash deposited in the Series Account provided that, in respect of Loans which are a percentage of a drawn amount of the relevant loan, the Income in relation to such Loan shall be the principal, interest, dividends or other distributions in respect of the entire drawn amount of such loan (including in respect of the portion of the drawn amount of the relevant loan which is not subject to the Asset Trust) multiplied by such percentage.

#### *Margin Maintenance*

Unless the applicable Pricing Supplement (i) specifies that margin maintenance will not apply in respect of a Series, (ii) specifies a Collateralisation Date later than the Issue Date or a Decollateralisation Date and in each case in any period prior to a Collateralisation Date or following a Decollateralisation Date or (iii) is in respect of a Euroclear Bond Collateral Series, on each Valuation Date, the Valuation Agent will determine the Collateral Value of the Collateral Assets, any Transaction Exposure and any Net Exposure. The determination of the Collateral Value of the Collateral Assets and any Transaction Exposure and any Net Exposure shall be notified by the Seller by 10:30 (London time) on the Valuation Date to each relevant Collateral Assets Company and the Verification and Reporting Agent. Upon receipt of the Seller's calculation of the Collateral Value of the Collateral Assets, any Transaction Exposure and any Net Exposure, the Verification and Reporting Agent will, by no later than 12:30 (London time) on each such Valuation Date, verify the Valuation Agent's calculations in respect of the Collateral Value of the Collateral Assets (such verification, for the avoidance of doubt, on the basis of the Collateral Value Methodology), any Transaction Exposure and any Net Exposure and confirm whether or not either party has a Net Exposure. If on any Valuation Date the relevant Collateral Assets Companies or the Seller has a Net Exposure in respect of the other party, the other party (or in the case of the Collateral Assets Companies, if there is more than one Collateral Assets Company, the Collateral Assets Companies in aggregate and in each case only if such Margin Transfer is requested by the Seller) will make a Margin Transfer of Collateral Assets to it of an aggregate amount or value such that neither party has a Transaction Exposure to the other party on such Business Day after such Margin Transfers and any substitutions of Collateral Assets have been effected on such Business Day. Where the relevant Collateral Assets Company (or the relevant Collateral Assets Companies in aggregate) or the Seller becomes obliged to make a Margin Transfer, the Seller will deliver or procure delivery of a Collateral Assets Report to each relevant Collateral Assets Company and the Valuation Agent will deliver or procure delivery of an Agent Collateral Assets Report to the Custodian (if applicable) and the Verification and Reporting Agent by 16:00 (London time) on the Valuation Date on which such obligation arises (such date, a **Collateral Assets Report Date**), which shall result in Collateral Assets being either (A) added in respect of such Series (if the relevant Collateral Assets Companies have a Net Exposure to the Seller) or (B) transferred to the Seller by the relevant Collateral Assets Companies (if the Seller has a Net Exposure in respect of the relevant Collateral Assets Companies and so requests), in an amount which would result in such Margin Transfer being effected. In the event that there is more than one Collateral Assets Company and a Margin Transfer is due to the Collateral Assets Companies, a Margin Transfer may be satisfied by the transfer of Collateral Assets to only one of the Collateral Assets Companies provided that following such Margin Transfer neither the relevant Collateral Assets Companies (in aggregate) nor the Seller has a Transaction Exposure to the other party.

A Margin Transfer of (i) Collateral Assets which are Bonds shall and (ii) Collateral Assets which are Cash or Loans may transfer on a delayed basis no later than two Business Days following the relevant Valuation Date. The Seller shall use its commercially reasonable endeavours to effect any Margin Transfers and related transfers of Collateral Assets on a timely basis and shall not be liable in the event that a Margin Transfer or related transfer is delayed or unable to be made as a result of circumstances which are beyond the Seller's reasonable control (including, but not limited to, *force majeure*), and any such delay or failure shall not constitute an Event of Default under the Collateral Transfer Agreement.

In relation to a Euroclear Bond Collateral Series, notwithstanding the above, Margin Transfers and the determination of Net Exposure will be made by Euroclear in accordance with the Collateral Services Agreement.

For the purposes hereof:

**Margin Transfer** means any, or any combination of the, transfer and retransfer of Collateral Assets or Equivalent Assets (other than, for the avoidance of doubt, the initial purchase and repurchase of such Collateral Assets or Equivalent Assets) pursuant to the Collateral Transfer Agreement.

**Margin Transfer Threshold** means the amount specified in the applicable Pricing Supplement.

A party (and, for the avoidance of doubt, if there is more than one relevant Collateral Assets Company in respect of such Series, such Collateral Assets Companies shall be considered as one party) has a **Net Exposure** in respect of the other party if its Transaction Exposure is positive and, only in the case where the Collateral Assets comprise Euroclear Collateral Assets, is equal to or greater than the other party's Margin Transfer Threshold. For this purpose any amounts not denominated in the Base Currency shall be converted into the Base Currency at the Spot Rate prevailing at the relevant time.

**Transaction Exposure** means, on any Business Day during the period from the Purchase Date to the Repurchase Date, the difference between:

- (a) the Collateralised Amount; and
- (b) the product of:
  - (i) the aggregate Collateral Value of the Collateral Assets held by all relevant Collateral Assets Companies on such Business Day; and
  - (ii) the applicable Valuation Percentage,

provided that, for the purposes of the foregoing, any Collateral Assets which have been determined to be ineligible (including to the extent of any non-compliance with the Concentration Limitation Criteria) shall be deemed to have a Collateral Value of zero

If (a) is greater than (b), the relevant Collateral Assets Companies have a Transaction Exposure equal to that excess. If (b) is greater than (a), the Seller has a Transaction Exposure equal to that excess and, if there is more than one relevant Collateral Assets Company in respect of such Series, such Collateral Assets Companies shall be considered as one party and the Transaction Exposure for the purposes of the Collateral Transfer Agreement (including, without limitation, the determination of Net Exposure) will be an aggregate amount for such Collateral Assets Companies. For this purpose any amounts not denominated in the Base Currency shall be converted into the Base Currency at the Spot Rate prevailing at the relevant time.

**Valuation Date** means (a) each date specified as such in the applicable Pricing Supplement and (b) each date falling one Business Day following any notification made by the Verification and Reporting Agent in accordance with the Collateral Transfer Agreement that further Margin Transfers are required to

be made by either the Seller or (only if requested by the Seller) the relevant Collateral Assets Companies.

**Valuation Percentage** means, on any date of determination, a percentage determined as specified in the applicable Pricing Supplement (which in the case of a Series that relates to Collateral Assets of different descriptions shall be determined by reference to the different ratios attributable to each description and the percentage representing the proportion of the aggregate Collateral Value of the Collateral Assets at such time represented by such description of Collateral Asset).

#### *Substitution*

In respect of each Series (other than a Euroclear Bond Collateral Series), provided that an Event of Default under the Collateral Transfer Agreement is not subsisting, the Seller may on any day prior to the Repurchase Date, and the Seller shall on any Valuation Date on which any Collateral Assets do not satisfy the Eligibility Criteria or the Concentration Limitation Criteria, vary the Collateral Assets under the Collateral Transfer Agreement by the transfer by the relevant Collateral Assets Companies to the Seller of Collateral Assets or Equivalent Assets (or the relevant assets which no longer satisfy the Eligibility Criteria or the Concentration Limitation Criteria, as applicable) in exchange for the transfer by the Seller to the relevant Collateral Assets Companies of other Collateral Assets, provided that, (i) in respect of any such substitutions effected on a Valuation Date, the relevant Collateral Assets Companies do not have a Transaction Exposure on such Valuation Date after all such substitutions (and any Margin Transfers) have been effected on such Valuation Date and (ii) in respect of any such substitutions effected on a day which is not a Valuation Date, the new Collateral Assets have a Collateral Value (as determined on the relevant day of substitution) equal to or greater than the Collateral Value of the removed Collateral Asset (as determined on the immediately preceding Valuation Date) or the Equivalent Assets. Such substitutions will be carried out in accordance with the terms of the applicable Collateral Transfer Agreement.

The Collateral Transfer Agreement will be governed by English law.

The Collateral Transfer Agreement will take the form described in this section, provided that other forms of Collateral Transfer Agreement may be used by the relevant Collateral Assets Companies to acquire the Collateral Assets as specified in the applicable Pricing Supplement.

### **C. Summary of the Declaration of Trust**

The Declaration of Trust, made between each relevant Collateral Assets Company, the Seller and the Trustee on the Issue Date of the relevant Series and constituted by the Constituting Instrument, governs the acquisition of the Trust Proportion in respect of those Collateral Assets the beneficial interest in which will be acquired by each relevant Collateral Assets Company by way of declaration of trust. In relation to each Series, where applicable, a separate Declaration of Trust will be entered into pursuant to the relevant Constituting Instrument.

In consideration of each relevant Collateral Assets Company agreeing to enter into the Collateral Transfer Agreement, the Seller shall declare that it holds and shall hold each Collateral Asset designated as a Trust Asset by the Seller pursuant to a Collateral Assets Report (each, a **Trust Asset**) on and from, as applicable, the Issue Date and each Collateral Assets Report Date on trust absolutely as to both capital and income for the relevant Collateral Assets Companies upon, with and subject to the trusts, powers and provisions of the Declaration of Trust.

Where there is more than one relevant Collateral Assets Company in respect of the Series, the Collateral Assets Report and the Agent Collateral Assets Report will specify which Trust Assets are held on trust for which Collateral Assets Company. A separate Asset Trust will be created between the Seller and

each Collateral Assets Company in respect of such Trust Assets specified in the applicable Collateral Assets Report and Agent Collateral Assets Report.

On delivery to the relevant Collateral Assets Companies of a Collateral Assets Report the Trust Proportion of those Collateral Assets which were Collateral Assets prior to the Collateral Assets Report Date but that are not included in such Collateral Assets Report (such assets, the **Re-Acquired Assets**) will no longer be Trust Assets, the beneficial interest therein formerly held by the relevant Collateral Assets Companies will thereby be terminated and the Re-Acquired Assets shall be held by the Seller free from all trusts under or pursuant to the Declaration of Trust.

Under the Declaration of Trust, each relevant Collateral Assets Company will be entitled to all amounts in respect of the Trust Assets as they are received and as they arise, and distributions of the same are to be made as set out below. The Seller will have no power, discretion or duty to accumulate amounts representing income of the trusts constituted over the Trust Assets in accordance with the Declaration of Trust or otherwise treat such income as an accretion to capital, but will distribute such amounts to each relevant Collateral Assets Company in accordance with the Transaction Documents. The Seller shall distribute any amounts actually received by the Seller in respect of any amount of principal, interest, fees, costs or other amounts owing under a Trust Asset to each relevant Collateral Assets Company in accordance with the Transaction Documents, and pending such distribution such amounts shall be held on trust for the benefit of the relevant Collateral Assets Companies absolutely, provided that payment of such amounts by the Seller may be set off against amounts due from the relevant Collateral Assets Companies to the Seller under Clause 4(a) (*Periodic Payments*) of the Collateral Transfer Agreement.

#### **D. Summary of the Collateral Agency Agreement**

The Collateral Agency Agreement, made between the Issuer, the relevant Collateral Assets Companies, the Agent, the Custodian (if any), the Valuation Agent, the Verification and Reporting Agent and the Collateral Account Bank (if any), governs the appointment of the Collateral Agents in respect of the relevant Series. In relation to each Series, a separate Collateral Agency Agreement will be entered into pursuant to the relevant Constituting Instrument.

In respect of each Series:

- (a) to the extent a Collateral Account Bank is appointed in accordance with the Collateral Agency Agreement, the Collateral Account Bank may, if necessary, establish one or more Series Accounts in the name of the relevant Collateral Assets Companies and will perform the other functions and duties as set out in the Collateral Agency Agreement;
- (b) to the extent a Custodian is appointed in accordance with the Collateral Agency Agreement, such Custodian will perform the functions and duties as set out in the Collateral Agency Agreement, which shall include holding Collateral Assets which are Bonds in safe custody and administering the transfer and retransfer of such Collateral Assets in accordance with the Collateral Transfer Agreement;
- (c) the Valuation Agent will determine the Collateral Value in respect of a Collateral Asset or Equivalent Asset and the Transaction Exposure and Net Exposure on each Valuation Date; and
- (d) the Verification and Reporting Agent will perform duties which shall include verifying the calculation of the Collateral Value of the Collateral Assets, any Transaction Exposure and any Net Exposure as notified by the Valuation Agent, notifying the Seller, the Valuation Agent and the relevant Collateral Assets Companies of any errors in such calculations and, if applicable, the Net Exposure, verifying the compliance of the Collateral Assets with any applicable Eligibility Criteria and Concentration Limitation

Criteria (other than Eligibility Criteria (b), (c), (d), and (e) compliance in respect of which the Verification and Reporting Agent shall not be required to verify), verifying to the Seller and the relevant Collateral Assets Companies that, following a Margin Transfer, neither the Seller nor the relevant Collateral Assets Companies have a Transaction Exposure or a Net Exposure and preparing and making available Secured Noteholder Reports.

Each of the relevant Collateral Assets Companies is entitled to vary or terminate the appointment of any Collateral Agent and/or appoint additional or other Collateral Agents and/or approve any change in the specified office through which any Collateral Agent acts, provided that, so long as any of the Secured Notes is outstanding or until moneys for the payment of all amounts in respect of all outstanding Secured Notes have been made available to the Trustee and have been returned to the Issuer, as provided herein, there will at all times be a Collateral Account Bank, a Valuation Agent and a Verification and Reporting Agent. Other than in the case of insolvency, as provided in the Collateral Agency Agreement, any variation, termination, appointment or change shall only take effect, with the prior written approval of the Trustee, after not less than 30 nor more than 60 days' prior notice thereof shall have been given to the Collateral Agent whose appointment is concerned. Any termination of an appointment will not be effective until a replacement Collateral Agent has been appointed.

All or any of the Collateral Agents may resign their respective appointments under the Collateral Agency Agreement, without giving a reason and without responsibility for any liability arising from such resignation, at any time by giving to the Issuer, the relevant Collateral Assets Companies and the Trustee at least 60 days' prior written notice to that effect, provided that, so long as any of the Secured Notes is outstanding, (i) such notice shall not expire less than 25 days before any due date for the payment of any Secured Note, and (ii) notice shall be given to the Secured Noteholders by the Issuer in accordance with the Conditions not less than 15 nor more than 60 days prior to any resignation of any Collateral Agent. Any resignation will not be effective until a replacement Collateral Agent has been appointed.

The Secured Noteholder Reports will be prepared as specified in the applicable Pricing Supplement. The Verification and Reporting Agent will (on the first Business Day following the end of the Reporting Period, which such period shall be specified in the applicable Pricing Supplement) make the Secured Noteholder Reports available:

- (i) on the following website: <https://gctinvestorreporting.bnymellon.com>; and
- (ii) for inspection (x) in physical form at the offices of the Verification and Reporting Agent upon reasonable notice and during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) for the term of the relevant Series of Secured Notes; or (y) if requested by a Secured Noteholder and if acceptable to the Verification and Reporting Agent in its sole discretion, via email to the requesting Secured Noteholder.

#### **E. Summary of the Sub-Loan Agreement**

On or after the Issue Date in respect of a Series or if "Collateralisation/Decollateralisation" is specified as being applicable in the applicable Pricing Supplement, on each Collateralisation Date, the Issuer will make available on that date to each relevant Collateral Assets Company an amount equal to the product of (a) the aggregate Collateral Value on the Purchase Date of Collateral Assets specified as being purchased by such relevant Collateral Assets Company in the Collateral Assets Report in respect of the Purchase Date and (b) the applicable Valuation Percentage (such product, the **Applicable Purchase Price**) by way of an Advance pursuant to the Sub-Loan Agreement. Each Advance will be made in the Base Currency of the relevant Series or Tranche, as applicable, of Secured Notes, as set out in the applicable Pricing Supplement. Each Advance may only be used by the relevant Collateral Assets

Companies as consideration for the acquisition of the relevant Collateral Assets from the Seller pursuant to the terms of the applicable Transfer Agreement, as described under "*Summary of the Collateral Transfer Agreement*" and "*Summary of the Declaration of Trust*" below. Each Advance will bear interest at a rate of interest equal to the rate of interest payable on the corresponding Series or Tranche, as applicable, of Secured Notes.

An Advance related to the issue of a Tranche of Further Secured Notes on an Issue Date will be consolidated with any Advance outstanding corresponding to the Series of Secured Notes with which that Tranche will be consolidated on such Issue Date.

The Issuer will not be relying on repayment of any Advance in order to meet its repayment obligations under the Secured Notes. Amounts due in respect of each Advance will be paid by the relevant Collateral Assets Companies to, or as directed by, the Issuer on each Interest Payment Date in respect of the corresponding Series or Tranche of Secured Notes that funded such Advance (each such date, a **Loan Interest Payment Date**) save that if "Collateralisation/Decollateralisation" is specified as being applicable in the applicable Pricing Supplement, amounts due shall only be repaid to the extent an Advance is outstanding. The Issuer may use the proceeds of the Advances to pay amounts due on the Secured Notes. However, any failure by the relevant Collateral Assets Companies to pay any amounts due on the Advances will not affect the liability of the Issuer to pay the relevant amount due on the Secured Notes. However, where certain events of default or acceleration events occur under the Secured Notes or other Secured Notes Documents, the Issuer is entitled to set-off certain sums payable by it as Seller to the relevant Collateral Assets Company under the Collateral Transfer Agreement against amounts owed to it by the relevant Collateral Assets Company under the Sub-Loan Agreement, notwithstanding the hierarchy of payments specified under the Security Priority in the Secured Notes Guarantee.

The principal amount of each Advance (the **Principal Amount**) made under the Sub-Loan Agreement will be adjusted on each Valuation Date and will be an aggregate amount equal to the Repurchase Price in respect of the applicable Series. For the avoidance of doubt, the increase or decrease of the Principal Amount of an Advance on any Valuation Date will not result in a further obligation on the Issuer to advance further sums to the relevant Collateral Assets Companies equal to such increase or on the relevant Collateral Assets Companies to repay an amount equal to such decrease.

The amounts owed by the relevant Collateral Assets Companies to the Issuer under the Advances will be reduced *pro tanto* by any amounts paid or provided for by the relevant Collateral Assets Companies under the terms of the Secured Notes Guarantee to repay the Secured Notes.

Each of the Issuer and each relevant Collateral Assets Company agrees that Advances to each relevant Collateral Assets Company on each Issue Date may be set-off against the payment of the Applicable Purchase Price by the relevant Collateral Assets Company under the Collateral Transfer Agreement.

The Sub-Loan Agreement will be governed by English law.

#### **F. Summary of the Collateral Services Agreement**

In respect of any Series of Secured Notes which is a Euroclear Bond Collateral Series, margining, valuations and substitutions in relation to the Bonds which constitute the Collateral Assets for such Series shall be conducted in accordance with a Collateral Services Agreement.

The Collateral Services Agreement will be governed by English law.

## **ADDITIONAL TERMS AND CONDITIONS OF THE SECURED NOTES**

The Secured Notes will be subject to the terms and conditions of the Notes in the section entitled "Terms and Conditions of the Notes" of the Programme Document (the **Base Conditions**), as modified and/or supplemented by the following provisions (the Base Conditions as so modified, the **Secured Notes Conditions**), the applicable Constituting Instrument and the applicable Pricing Supplement. Terms used but not defined in the Secured Notes Conditions shall have the meanings given to them in the Base Conditions. In the case of inconsistency between the Base Conditions and the Secured Notes Conditions, the Secured Notes Conditions shall prevail.

Schedule 1 (*Terms and Conditions of the Notes*) to the Programme Trust Deed shall be amended as follows:

### **1. References to "Secured Notes" and "Collateral Assets Company"**

References in the Base Conditions to the Pricing Supplement shall be to these Secured Notes Conditions and the applicable Pricing Supplement.

All references in the Conditions to "a Note", "Notes", "a Noteholder" and "Noteholders" shall be construed to mean "a Secured Note", "Secured Notes", "a Secured Noteholder" and "Secured Noteholders", respectively.

References to the Issuer shall be deemed to include each relevant Collateral Assets Company in the following Conditions:

The eighth, ninth and eleventh paragraphs of Condition 1(c), the second to last paragraph of Condition 9(c), Condition 17 and Condition 18.

### **2. Collateral Asset Type**

Where Collateral Asset Type is specified in the Pricing Supplement as both Euroclear Collateral Assets and Non-Euroclear Collateral Assets:

- (a) the relevant Series shall constitute a Euroclear Bond Collateral Series in respect of Euroclear Collateral Assets and a Non-Euroclear Bond Collateral Series in respect of Non-Euroclear Collateral Assets; and
- (b) the provisions of the Secured Note Documents applicable only to Euroclear Bond Collateral Series shall apply in respect of Euroclear Collateral Assets and shall not apply in respect of Non-Euroclear Collateral Assets, and the provisions of the Secured Note Documents applicable only to Series other than Euroclear Bond Collateral Series shall apply in respect of Non-Euroclear Collateral Assets and shall not apply in respect of Euroclear Collateral Assets. For the avoidance of doubt, in respect of Euroclear Collateral Assets, (a) any Margin Transfers and the determination of Collateral Value and Net Exposure shall be carried out by Euroclear, (b) transfers, retransfers, payments and substitutions in respect of Collateral Assets shall be made and (c) Collateral Assets shall be held, each in accordance with the terms of the Collateral Services Agreement.

### 3. Amendments to Condition 2 (*Status of the Notes*)

Condition 2 (*Status of the Notes*) shall be renamed "Status of the Notes and the Secured Notes Guarantee" and the first paragraph of Condition 2 shall be numbered 2.1. The following shall be added as a new Condition 2.2:

#### "2.2 Status of the Secured Notes Guarantee

The payment of Guaranteed Amounts when the same shall become due has been unconditionally and irrevocably guaranteed jointly and severally by each relevant Collateral Assets Company (the **Secured Notes Guarantee**) in the Guarantee and Security Trust Deed. However, the relevant Collateral Assets Companies shall have no obligation under the Secured Notes Guarantee to pay any Guaranteed Amounts until the occurrence of an Event of Default, service by the Trustee on the Issuer of an Acceleration Notice and service by the Trustee on the relevant Collateral Assets Companies of a Notice to Pay. The obligations of each relevant Collateral Assets Company under the Secured Notes Guarantee are direct (following an Event of Default, service of an Acceleration Notice and service of a Notice to Pay) and unsubordinated obligations of the relevant Collateral Assets Company, which are secured as provided in the Guarantee and Security Trust Deed.

Any payment made by any relevant Collateral Assets Company under the Secured Notes Guarantee shall discharge *pro tanto* the obligations of the Issuer in respect of such payment under the Secured Notes except where such payment has been declared void, voidable or otherwise recoverable in whole or in part and recovered from the Agent, the Trustee or the holders of the Secured Notes.

As security for each relevant Collateral Assets Company's obligations under the Secured Notes Guarantee and the other Transaction Documents to which it is a party, the relevant Collateral Assets Company has granted fixed and floating security over the Collateral Assets and other Mortgaged Property in respect of the relevant Series under the applicable Guarantee and Security Trust Deed in favour of the Trustee (for itself and on behalf of the other Secured Parties). Recourse against each relevant Collateral Assets Company under the Secured Notes Guarantee is limited to the proceeds available at such time from the Mortgaged Property in respect of such Series (including the applicable Collateral Assets) to make such payments in accordance with the Security Priority. Following the application of such proceeds in accordance with the Security Priority, the rights of the Secured Noteholders to receive any further amounts in respect of such obligations shall be extinguished and none of the Secured Noteholders may take any further action to recover such amounts."

### 4. Amendments to Condition 3 (*Interest*)

Condition 3 (*Interest*) shall be amended as follows:

- (a) by the addition of the following paragraph at the end of Condition 3(g)(1) (*Notes not linked to SOFR*):

"Notwithstanding anything to the contrary in this Condition 3 (*Interest*), the Issuer and/or the Independent Advisor may make all determinations and/or adjustments and take all actions in respect of the Notes as are provided for in connection with a

Benchmark Event, notwithstanding that such Benchmark Event or the events causing such Benchmark Event to occur may have occurred before the Issue Date of the Notes."

- (b) by the addition of the following paragraph at the end of Condition 3(g)(2) (*Notes linked to SOFR*):

"Notwithstanding anything to the contrary in this Condition 3 (*Interest*), the Issuer and/or the Calculation Agent may make all determinations and/or adjustments and take all actions in respect of the Notes as are provided for in connection with a Benchmark Event, notwithstanding that such Benchmark Event or the events causing such Benchmark Event to occur may have occurred before the Issue Date of the Notes."

- (c) by the addition of the following paragraph at the end of Condition 3(h) (*Effect of Benchmark Transition Event*):

"Notwithstanding anything to the contrary in this Condition 3 (*Interest*), the Issuer and/or the Calculation Agent may make all determinations and/or adjustments and take all actions in respect of the Notes as are provided for in connection with a Benchmark Transition Event, notwithstanding that such Benchmark Transition Event or the events causing such Benchmark Transition Event to occur may have occurred before the Issue Date of the Notes."

## **5. Amendments to Condition 5 (*Redemption and Purchase*)**

Condition 5 (*Redemption and Purchase*) shall be amended as follows:

- (a) by the addition to Condition 5(j) (*Illegality*) of the words "or any relevant Collateral Assets Company's obligations under the Secured Notes Guarantee" after the words "under a Series of Notes" in line two thereof; and
- (b) in Condition 5(k) (*Taxation*):
  - (i) the words " or any Secured Notes Document (including, without limitation, its payment obligations in its capacity as Seller under the Collateral Transfer Agreement)" after the words "under a Series of Notes " in line two thereof; and
  - (ii) the words "having given not more than 30 nor less than three days' notice" shall be deleted in their entirety and replaced with the words "having given not less than two Business Days' notice".

## **6. Amendments to Condition 17 (*Taxation*)**

Condition 17 (*Taxation*) shall be amended by the addition of the following paragraphs at the end thereof:

"Should any payments made by any relevant Collateral Assets Company under the Secured Notes Guarantee be made subject to any withholding or deduction on account of any taxes or duties of whatever nature imposed or levied by or on account of any Relevant Jurisdiction, the relevant Collateral Assets Company will not be obliged to pay any additional amounts as a consequence.

**Relevant Jurisdiction** means the jurisdiction of incorporation of each relevant Collateral Assets Company or any political subdivision or any authority thereof or therein having power to tax or any other jurisdiction or any political subdivision or any authority thereof or therein having power to tax to which each relevant Collateral Assets Company becomes subject in respect of payments made by it under the Secured Notes Guarantee."

**7. Amendments to Condition 19 (*Events of Default*)**

Condition 19 (*Events of Default*) shall be amended as follows

- (a) the words "(an **Acceleration Notice**)" shall be inserted immediately after the words "give notice" where they appear in the seventh line of the first paragraph;
- (b) the words "and each relevant Collateral Assets Company" shall be inserted immediately after the words "to the Issuer" where they appear in the seventh and eighth lines of the first paragraph;
- (c) the "." where it appears at the end of sub-paragraph (iii) shall be deleted and replaced with "; or " and the following sub-paragraphs shall be inserted immediately after sub-paragraph (iii):
  - "(iv) a relevant Collateral Assets Company breaches any terms of the Transaction Documents (other than a failure to pay under the Secured Notes Guarantee) that is materially prejudicial to the interests of the Secured Noteholders, and that breach has not been remedied within 30 calendar days after the earlier of such Collateral Assets Company having actual knowledge of the breach and the Issuer and such relevant Collateral Assets Company having received notice thereof from the Trustee; or
  - (v) the relevant Secured Notes Guarantee ceases to be effective; or
  - (vi) an order is made or an effective resolution passed for the liquidation or winding up of any Collateral Assets Company (otherwise than in connection with a scheme of reconstruction, merger or amalgamation the terms of which have previously been approved by an Extraordinary Resolution of the Secured Noteholders); or
  - (vii) a Default Notice is delivered to the Defaulting Party pursuant to Clause 11 (*Events of Default*) of the Collateral Transfer Agreement; or
  - (viii) a relevant Collateral Assets Company does not pay any Guaranteed Amount (as defined in the Secured Notes Guarantee) for any reason and such failure continues for 5 Business Days following the failure by the Issuer to pay the related amount in respect of the Secured Notes.

Upon the Secured Notes becoming immediately due and repayable by the Issuer pursuant to this Condition 19, the Trustee shall forthwith serve a notice to pay (the **Notice to Pay**) on the relevant Collateral Assets Companies pursuant to the Secured Notes Guarantee and the relevant Collateral Assets Companies shall be required to make payments of Guaranteed Amounts when the same shall become due in accordance with the terms of the Secured Notes Guarantee."; and

- (d) the final sentence of the final paragraph commencing "No holder of Notes" shall be deleted in its entirety and the following new paragraphs shall be inserted:

"The Trustee shall not be bound to take proceedings against the Issuer and/or any other person to enforce the provisions of the Secured Notes or against any relevant Collateral Assets Company to enforce the provisions of the Guarantee and Security Trust Deed unless (x) it shall have been so directed by an Extraordinary Resolution of the holders of the Secured Notes or a request in writing by the then outstanding holders of not less than one-fifth in nominal amount of the Secured Notes; and (y) it shall have been indemnified and/or secured and/or prefunded to its satisfaction. In exercising any of its powers, trusts, authorities and discretions under this paragraph the Trustee shall only have regard to the interests of the holders of the Secured Notes and shall not have regard to the interests of any other Secured Parties.

No holder of the Secured Notes shall be entitled to proceed directly against the Issuer or any relevant Collateral Assets Company or to take any action with respect to the Guarantee and Security Trust Deed, the Secured Notes unless the Trustee, having become bound so to proceed, fails or is unable to do so within a reasonable time and such failure or inability shall be continuing."

**8. Amendments to Condition 21 (*Agent, Registrar and Paying Agents and Calculation Agent determination*)**

Condition 21 (*Agent, Registrar and Paying Agents and Calculation Agent determination*) shall be amended by insertion of the following new paragraph immediately after the final paragraph of such Condition:

"The Collateral Agents act solely as agents of the relevant Collateral Assets Companies and, following delivery by the Trustee of a notice in writing to the Collateral Agents after the Security has become enforceable, the Trustee, and do not assume any obligation or relationship of agency or trust for or with any Secured Noteholder or holder. The relevant Collateral Assets Companies and, following enforcement of the Security, the Trustee, reserve the right at any time to vary or terminate the appointment of the Collateral Agents and to appoint additional or other Collateral Agents. Notice of any termination of appointment and of any changes to the specified office of any Collateral Agent will be given to Secured Noteholders by the Issuer in accordance with Condition 23."

**9. Amendments to Condition 24 (*Meetings of Noteholders, Modification, Waiver and Substitution of Principal Debtor*)**

Condition 24 (*Meetings of Noteholders, Modification, Waiver and Substitution of Principal Debtor*) shall be amended as follows:

- (a) the words "or of the provisions of the Trust Deed" shall be deleted from sub-paragraph (a) of the second paragraph and replaced with "or any provision of the Transaction Documents or the Pricing Supplement";
- (b) the words "or the provisions of the Trust Deed" shall be deleted from sub-paragraph (b) of the second paragraph and replaced with "or any provision of the Transaction Documents or the Pricing Supplement";

- (c) the "." where it appears at the end of sub-paragraph (b) of the second paragraph shall be deleted and replaced with "," and the following paragraph shall be inserted immediately after sub-paragraph (b):

"provided that, notwithstanding (a) and (b) above, proposals to (i) modify any Transaction Document having (in the opinion of the Trustee) a material adverse effect on the security over the Collateral Assets or any of the other Mortgaged Property (or any part thereof) constituted by the Guarantee and Security Trust Deed or (ii) modify or cancel the Secured Notes Guarantee, shall at all times require the consent of the Secured Noteholders acting by Extraordinary Resolution.";

- (d) the words ", in the case of a rated Series of Secured Notes, be notified by the Issuer to the Rating Agencies" shall be inserted immediately after the words "Any such modification shall be binding on the Noteholders, the Receiptholders and the Couponholders (or, as the case may be, the holders of the Notes, Receipts or Coupons of the relevant one or more Series)" where they appear in the first to third lines of the third paragraph;

- (e) the word "and" where it appears at the end of the sub-paragraph (i) of the fifth paragraph shall be deleted and replaced with "," and the following wording shall be inserted immediately after sub-paragraph (ii):

"and (iii) in the case of a rated Series of Secured Notes, the Trustee receives confirmation from the Rating Agencies in respect of such substituted principal debtor";

- (f) the words "subject, in the case of a rated Series of Secured Notes, to receipt by the Trustee of confirmation from the Rating Agencies in respect of such substituted principal debtor" shall be inserted immediately after the words "(as defined in the Trust Deed)" where they appear at the end of the fifth paragraph; and

- (g) the following paragraph shall be inserted immediately after the fifth paragraph of the Condition:

"The Trustee shall, acting upon the direction of the Secured Noteholders acting by Extraordinary Resolution, agree with the relevant Collateral Assets Companies and the Issuer to the substitution in place of a Collateral Assets Company (or of any previous substitute under this Condition) as a new Collateral Assets Company (the **Substitute Collateral Assets Company**) of any other entity subject to:

- (a) the Substitute Collateral Assets Company (i) entering into a guarantee and security trust deed on substantially the same terms as the applicable Guarantee and Security Trust Deed and entering into agreements substantially on the same terms as the other Transaction Documents to which it is a party and (ii) assuming the rights and obligations of the relevant Collateral Assets Company under the applicable Transfer Agreements, including, without limitation, in respect of the applicable Collateral Assets; and
- (b) satisfaction of any other conditions specified by the Trustee or the Secured Noteholders.

Such substitution shall promptly be notified to the Secured Noteholders by the Issuer in accordance with Condition 23. In the event of any such substitution the Conditions shall be deemed to be modified in such manner as shall be necessary to give effect to such substitution and any reference in the Conditions to the relevant Collateral Assets Company shall, unless the context otherwise requires, be deemed to be or include references to the Substitute Collateral Assets Company."

**10. Amendments to Condition 25 (*Further Issues*)**

Condition 25 (*Further Issues*) shall be amended by the insertion of the words "subject, in the case of a rated Series of Secured Notes, to the Issuer receiving confirmation from the Rating Agencies in respect of the issue of such further notes" immediately after the words "where the Trustee so decides" in the final line thereof.

**11. Amendments to Condition 28 (*Governing Law and Submission to Jurisdiction*)**

Condition 28 (*Governing Law and Submission to Jurisdiction*) shall be amended by the addition of the words "the Guarantee and Security Trust Deed," after the words "Agency Agreement,".

**12. Additional Condition 29 (*Secured Noteholder Reports in respect of Non-Euroclear Collateral Assets*)**

A new Condition 29 (*Secured Noteholder Reports in respect of Non-Euroclear Collateral Assets*) shall be added to the Conditions as follows:

**"29. Secured Noteholder Reports in respect of Non-Euroclear Collateral Assets**

The Verification and Reporting Agent will provide information in respect of the Non-Euroclear Collateral Assets relating to the Secured Notes in the form of a Secured Noteholder Report to the Secured Noteholders on the first Business Day following the end of each Reporting Period specified in the applicable Pricing Supplement:

- (i) on the following website: <https://gctinvestorreporting.bnymellon.com>; and
- (ii) for inspection (x) in physical form at the offices of the Verification and Reporting Agent upon reasonable notice and during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) for the terms of the relevant Series of Secured Notes; or (y) if requested by a Secured Noteholder and if acceptable to the Verification and Reporting Agent in its sole discretion, via email to a requesting Secured Noteholder.

Such Secured Noteholder Reports will also specify the Euroclear Purchase Price (by reference to which Euroclear Collateral Assets are margined) in the case of Euroclear Collateral Assets."

**13. Additional Definitions and Interpretation**

Terms used in these Secured Notes Conditions and not otherwise defined shall have the meanings ascribed to them in the Secured Notes Documents and the following terms shall have the following meanings:

**Base Currency** means the currency of denomination of the relevant Series;

**Collateral Agency Agreement** means the collateral agency agreement made between, amongst others, the Issuer, the relevant Collateral Assets Companies and the Trustee on the Issue Date of the relevant Series and constituted by the Constituting Instrument;

**Collateral Asset** means any obligation which is included, and continues to be included, in a Collateral Assets Report or CSA Report and, in each case, shall include any Related Security in respect thereof, and **Collateral Assets** shall be interpreted accordingly;

**Collateral Assets Company Supplement** means a supplement which shall be published in the event that a company other than RBS Secured Funding B.V. or NatWest Markets Secured Funding LLP is specified as the Collateral Assets Company in the applicable Pricing Supplement, which will contain all relevant disclosure in respect of such Collateral Assets Company;

**Collateral Asset Type** means the collateral asset type(s) specified in the applicable Pricing Supplement;

**Collateral Transfer Agreement** means the collateral transfer agreement made between, among others, the Seller, the relevant Collateral Assets Companies and the Trustee on the Issue Date of the relevant Series and constituted by the Constituting Instrument;

**Declaration of Trust** means the declaration of trust made between, among others, the Seller, the relevant Collateral Assets Companies and the Trustee on the Issue Date of the relevant Series and constituted by the Constituting Instrument;

**Euroclear Bond Collateral Series** means, a Series of Secured Notes, the Pricing Supplement in respect of which specifies "Euroclear – Collateral Services Agreement" as Applicable;

**Euroclear Collateral Assets** means Collateral Assets that are held by the relevant Collateral Assets Company in accordance with the Collateral Services Agreement;

**Guarantee and Security Trust Deed** means the guarantee and security trust deed made between, among others, the Issuer, the relevant Collateral Assets Companies and the Trustee on the Issue Date of the relevant Series and constituted by the Constituting Instrument;

**Member** means each member of NatWest Markets Secured Funding LLP;

**Mortgaged Property** means, in relation to any Series or Tranche of Secured Notes, the assets over which the Security Interests are created by the relevant Collateral Assets Companies from time to time securing the Secured Notes Guarantee in relation to such Secured Notes, including, as applicable, the Collateral Assets and the rights under the Transaction Documents;

**Non-Euroclear Bond Collateral Series** means, a Series of Secured Notes the Pricing Supplement in respect of which specifies "Euroclear – Collateral Services Agreement" as Not Applicable.

**Non-Euroclear Collateral Assets** means Collateral Assets that are not Euroclear Collateral Assets; **Programme** means the NatWest Markets Plc Secured Note Programme;

**Programme Transaction Documents** means the Trust Deed, the Agency Agreement, the Dealer Agreement and the Registry Services Agreement;

**Secured Notes Documents** means the Collateral Transfer Agreement, the Declaration of Trust, the Guarantee and Security Trust Deed, any Additional Security Document, the Collateral Agency Agreement and the Sub-Loan Agreement and any other document specified as such in the applicable Pricing Supplement;

**Sub-Loan Agreement** means the sub-loan agreement made between the Issuer, the relevant Collateral Assets Companies and the Trustee on the Issue Date of the relevant Series and constituted by the Constituting Instrument;

**Transaction Documents** means the Programme Transaction Documents and the Secured Notes Documents; and

**Transfer Agreements** means in respect of a Series of Secured Notes, the Collateral Transfer Agreement, any Declaration of Trust entered into in connection with such Series or Tranche and any other agreements specified as Transfer Agreements in the applicable Pricing Supplement.

## FORM OF PRICING SUPPLEMENT

Set out below is the form of Pricing Supplement for each Tranche of Secured Notes which will contain such of the following information (which may be modified in relation to any particular issue of Secured Notes by agreement between the Issuer, the Agent and the relevant Dealer(s)) as is applicable in respect of such Secured Notes:

### **[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 Secured Notes has led to the conclusion that: (i) the target market for the Secured 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 Secured Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Secured 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 Secured 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 Secured Notes has led to the conclusion that: (i) the target market for the Secured Notes is eligible counterparties as defined in the FCA Handbook Conduct of Business Sourcebook ("**COBS**"), and professional clients as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA ("**UK MiFIR**"); and (ii) all channels for distribution of the Secured Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Secured Notes (a "**distributor**") should take into consideration the manufacturer[s/s'] target market assessment; however, a distributor subject to 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 Secured Notes (by either adopting or refining the manufacturer[s/s'] target market assessment) and determining appropriate distribution channels.].

**[Singapore Securities and Futures Act Product Classification** – Solely for the purposes of its obligations pursuant to sections 309B(1)(a) and 309B(1)(c) of the Securities and Futures Act (Chapter 289 of Singapore) (the "**SFA**"), the Issuer has determined, and hereby notifies all relevant persons (as defined in Regulation 3(b) of the Securities and Futures (Capital Markets Products) Regulations 2018 (the "**SF (CMP) Regulations**") that the Secured Notes are "[prescribed capital markets products]/[capital markets products other than prescribed capital markets products]" (as defined in the SF (CMP) Regulations) and [Excluded Investment Products]/[Specified 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).]

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

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

Pricing Supplement dated [●]

**NatWest Markets Plc**

*(Incorporated in Scotland with limited liability under the Companies Acts 1948 to 1980, registered number SC090312)*

**[Description of Secured Notes]**

**[Issue Price: [●] per cent.]**

**U.S.\$7,000,000,000**

**Secured Note Programme**

**unconditionally and irrevocably guaranteed as to payments by**

**NatWest Markets Secured Funding LLP**

**[and/or**

**[RBS Secured Funding B.V.]**

The Base Prospectus dated 30 March 2021 in respect of the Secured Notes (as completed by this Pricing Supplement) (the "**Base Prospectus**") and the prospectus dated 4 December 2020 relating to the Issuer's U.S.\$7,000,000,000 Structured Note Programme (the "**Programme Document**") has been prepared on the basis that any offer of Secured Notes in any Member State of the European Economic Area will be made pursuant to an exemption under Regulation (EU) 2017/1129 (the "**Prospectus Regulation**") from the requirement to publish a Prospectus for offers of the Secured Notes. Furthermore, the Base Prospectus and the Programme Document have been prepared on the basis that any offer of Secured Notes in the United Kingdom will be made pursuant to an exemption under the Prospectus Regulation as it forms part of domestic law by virtue of the EUWA (the "**UK Prospectus Regulation**") from the requirement to publish a Prospectus for offers of the Secured Notes. Accordingly any person making or intending to make an offer in that Relevant Member State or in the United Kingdom of the Secured Notes may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or section 85 of the FSMA, as applicable, or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation or Article 23 of the UK Prospectus Regulation, as applicable, in each case, in relation to such offer. Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Secured Notes in any other circumstances.

Prospective investors are notified that neither the Issuer nor any Dealer is required under the Prospectus Regulation or the UK Prospectus Regulation to prepare or publish a prospectus in respect of the Secured Notes in accordance with the Prospectus Regulation or the UK Prospectus Regulation.

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

For the purposes hereof:

“**EUWA**” means the European Union (Withdrawal) Act 2018; and

“**FSMA**” means the Financial Services and Markets Act 2000.

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 Base Prospectus dated 30 March 2021 as supplemented at the date hereof. This document constitutes the Pricing Supplement of the Secured Notes described herein and must be read in conjunction with the Base Prospectus as supplemented. Full information on the Issuer and the offer of the Secured Notes is only available on the basis of the combination of this Pricing Supplement and the Base Prospectus.

*[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 sub-paragraphs. Italics denote directions for completing the Pricing Supplement.]*

1. Issuer: NatWest Markets Plc
2. (i) Series Number: [•]  
(ii) Tranche Number: [•]  
*(If fungible with an existing Series, details of that Series, including the date on which the Secured Notes become fungible)*
3. Specified Currency or Currencies: [•]  
  
[CNY Currency Event]  
  
[Relevant Currency: USD/HKD/[other]]  
  
(N.B. CNY Currency Event and Relevant Currency applies to Notes denominated in Renminbi)
4. Aggregate Nominal Amount:  
  
[(i)] Series: [•]  
  
[(ii)] Tranche: [•]
5. Issue Price: [•] *per cent.* of the Aggregate Nominal Amount [plus accrued interest from [insert date] *(in the case of fungible issues only, if applicable)*] *(Required only for listed issues – check with relevant stock exchange)*
6. (i) Specified Denominations: [•]

- (in the case of Registered Notes, this means the minimum integral amount in which transfers can be made)
- (Note – where Bearer Notes with multiple denominations above €100,000 or equivalent are being used the following sample wording should be followed:
- "€100,000 and integral multiples of €1,000 in excess thereof up to and including €199,000. No Secured Notes in definitive form will be issued with a denomination above €199,000.")
- [Not relevant if Secured Notes are being issued in registered form]
- (ii) Calculation Amount: (If only one Specified Denomination, insert the Specified Denomination.
- (Applicable to Secured Notes in definitive form) If more than one Specified Denomination, insert the highest common factor. Note: There must be a common factor in the case of two or more Specified Denominations.)
7. (i) Issue Date: [•]
- (ii) Interest Commencement Date: [•], except for the purposes of the definition of "Interest Accrual Period" only, where it shall be [•] (where the Interest Period Date is "p" Business Days prior to each Interest Payment Date, include the date "p" Business Days prior to the Interest Commencement Date)]
- (iii) Trade Date: [•]
8. Maturity Date: [specify date or (for Floating Rate Notes) Interest Payment Date falling in the relevant month and year] (the **Scheduled Maturity Date**) [N.B. Care must be taken to ensure that if the Secured Notes are Index Linked, Equity Linked, Currency Linked, Commodity Linked, Government Bond Linked, Fund Linked, Inflation Index Linked, Certificate Linked or otherwise involve a computation, in any case by reference to one or more Valuation Dates or Averaging Dates, as the case may be, which may be postponed pursuant to the Conditions of such Secured Notes, the Maturity Date is likewise postponed and cannot occur prior to an acceptable period before the last occurring Valuation Date or the Final Averaging Date, as the case may be]
9. Interest/Payment Basis: [[•] per cent. Fixed Rate]  
 [[LIBOR/EURIBOR/SONIA/SOFR] +/- [•] per cent. Floating Rate]  
 [Zero Coupon]  
 [Index Linked Interest]  
 [Equity Linked Interest]

[Currency Linked Interest]  
 [Commodity Linked Interest]  
 [Government Bond Linked Interest]  
 [Fund Linked Interest]  
 [Inflation Index Linked Interest]  
 [Certificate Linked Interest]  
 [Non-interest bearing]  
*[specify other]*  
*(further particulars specified below)*

10. Redemption/Payment Basis: [Redemption at par]  
 [Index Linked Redemption]  
 [Equity Linked Redemption]  
 [Credit Linked]  
 [Currency Linked Redemption]  
 [Commodity Linked Redemption]  
 [Government Bond Linked Redemption]  
 [Fund Linked Redemption]  
 [Inflation Index Linked Redemption]  
 [Certificate Linked Redemption]  
 [Partly Paid]  
 [Instalment]  
*[specify other]*

11. Change of Interest or Redemption/Payment Basis: *[Specify details of any provision for convertibility of Secured Notes into another interest or redemption/payment basis]*

12. Put/Call Options: [Investor Put]  
 [Issuer Call]  
 [(further particulars specified below)]

13. Status of the Secured Notes: Senior

14. Method of distribution: [Syndicated/Non-syndicated]

#### **PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

15. Fixed Rate Note Provisions [Applicable/Not Applicable]

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

(i) Rate[(s)] of Interest: [•] per cent. per annum [payable [annually/semi-annually/quarterly/monthly/ *(specify)*] in arrear]

(ii) Interest Payment Date(s): [•] in each year [adjusted in accordance with [Following Business Day Convention(Adjusted)/Following Business Day Convention (Unadjusted)/Modified Following Business Day Convention (Adjusted)/Modified Following Business Day Convention (Unadjusted)/Preceding Business Day Convention

		(Adjusted)/ Preceding Business Day Convention (Unadjusted)/other ( <i>give details</i> )/not adjusted]
		<i>(NB: For the Business Day Convention to apply to the interest accrual periods specify “(Adjusted)” after the elected Business Day Convention. For the Business Day Convention to apply only to the Payment Dates and not apply to the interest accrual periods specify “(Unadjusted)” after the elected Business Day Convention.)</i>
(iii)	Additional Business Centre(s):	[•]  <i>(NB: only relevant where Business Day Convention is applicable)</i>  <i>(NB: If London is required to be open please specify London as a Business Centre above)</i>
(iv)	Fixed Coupon Amount[(s)]:  <i>(Applicable to Secured Notes in definitive form)</i>	[•] per Calculation Amount
(v)	Broken Amount(s):  <i>(Applicable to Secured Notes in definitive form)</i>	[•] per Calculation Amount, payable on the Interest Payment Date falling in/on [•]
(vi)	Day Count Fraction:	[Actual/Actual or Actual/Actual (ISDA) Actual/365 (Fixed) Actual/360 30E/360 or Eurobond Basis Actual/Actual (ICMA) <i>specify other</i> ]
(vii)	Determination Date(s):	[•] in each year [ <i>Insert interest payment dates except where there are long or short periods. In these cases, insert regular interest payment dates</i> ] <i>(NB: Only relevant where Day Count Fraction is Actual/Actual (ICMA))</i>
(viii)	Other terms relating to the method of calculating interest for Fixed Rate Notes:	[Not Applicable/ <i>give details</i> ]
16.	Floating Rate Note Provisions	[Applicable/Not Applicable]  <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph. Also consider whether LIBOR, EURIBOR, SONIA or SOFR is the appropriate reference rate)</i>

- (i) Specified Period(s)/Specified Interest Payment Dates: [•]
- (ii) Interest Period Date: [Not Applicable/[•] in each year[, subject in each case, to adjustment in accordance with the Business Day Convention specified in paragraph 16(iv) below/, not subject to any adjustment[, as the Business Day Convention in paragraph 16(iv) below is specified to be "Not Applicable"]]
- (iii) First Interest Payment Date: [•]
- (iv) Business Day Convention: [Not Applicable/Floating Rate Convention/Following Business Day Convention(Adjusted)/Following Business Day Convention (Unadjusted)/Modified Following Business Day Convention (Adjusted)/Modified Following Business Day Convention (Unadjusted)/Preceding Business Day Convention (Adjusted)/Preceding Business Day Convention (Unadjusted)/other (give details)]
- (NB: For the Business Day Convention to apply to the interest accrual periods specify "(Adjusted)" after the elected Business Day Convention. For the Business Day Convention to apply only to the Payment Dates and not apply to the interest accrual periods specify "(Unadjusted)" after the elected Business Day Convention.)*
- (v) Additional Business Centre(s): [•]
- (NB: If London is required to be open please specify London as a Business Centre above)*
- (vi) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination/ISDA Determination/other (give details)]
- (vii) Party responsible for calculating the Interest Amount(s) (if not the Agent or, as the case may be, the Registrar): [•]
- (viii) Screen Rate Determination: [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- Reference Rate: [•]

*(Either LIBOR, EURIBOR, SONIA, SOFR or other, although additional information is required if other - including fallback provisions in the Agency Agreement)*

- Interest Determination Date(s): [•]  
*(Second day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in London prior to the start of each Interest Period if LIBOR (other than Sterling or euro LIBOR) or SOFR/SONIA (with "Lock out" as the Observation Method), first day of each Interest Period if Sterling LIBOR, the date falling "p" Business Days prior to the start of each Interest [Accrual] Period if SONIA/SOFR (with "Lag" as the Observation Method), and the second day on which the TARGET System is open prior to the start of each Interest Period if EURIBOR or euro LIBOR)*
- Relevant Screen Page: [•]  
*(In the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately)*
- Calculation Method: [Weighted Average/Compounded Daily/Index Determination]
- Compound Index: [SONIA Compounded Index/SOFR Compounded Index/Not Applicable]
- Observation Method: [Lag/Lock-out/Observation Shift/Not Applicable]
- Observation Look-back Period: [[•]/Not Applicable] *(Required unless Observation Method is specified as "Lock-out")<sup>1</sup>*  
*("p" Business Days, where the Lag is already reflected in the definition of "Interest Period Date" then "p" should be specified as zero)*
- ARRC Fallbacks: [Applicable]/[Not Applicable] – *applicable if SOFR is the Reference Rate only*
- D: [365/360/[•]]

---

<sup>1</sup> The Observation Look-back Period should be at least as many Business Days before the Interest Payment Date as the Interest Determination Date. "Observation Look-back Period" is only applicable where "Lag" or "Observation Shift" is selected as the Observation Method; otherwise, select "Not Applicable".

- Relevant Decimal Place: [five/seven/[•]]
- (ix) ISDA Determination: [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
  - Floating Rate Option: [•]
  - Designated Maturity: [•]
  - Reset Date: [•]
  - ISDA Benchmarks Supplement: [Applicable/Not Applicable]
- (x) Margin(s): [+/-][•] per cent. per annum
- (xi) Minimum Rate of Interest: [•] per cent. per annum
- (xii) Maximum Rate of Interest: [•] per cent. per annum
- (xiii) Day Count Fraction: [Actual/Actual or Actual/Actual (ISDA)  
Actual/365 (Fixed)  
Actual/360  
30/360 or 360/360 or Bond Basis  
30E/360 or Eurobond Basis  
*specify other*]  
  
*(See Condition 3(c) for alternatives)*
- (xiv) 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: [•]
- 17. Zero Coupon Note Provisions [Applicable/Not Applicable]  
  
*(If not applicable, delete the remaining sub-paragraphs of this*

paragraph)

- |       |   |  |
|-------|---|--|
| (i)   | Any other formula/basis of determining amount payable:  | [•]  |
| (ii)  | Day Count Fraction in relation to late payment:   | [Condition 5(i) applies/specify other]<br><br><i>(Consider applicable day count fraction if not U.S. dollar denominated)</i>   |
| 18.   | Index Linked Interest Note Provisions   | [Applicable/Not Applicable]<br><br><i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>   |
| (i)   | Provisions for determining Rate of Interest and/or Interest Amount:   | [Give or annex details]  |
| (ii)  | Whether the Secured Notes relate to a basket of indices or a single index, the identity of the relevant Index/Indices and details of the relevant index sponsors and whether such Index/Indices are a Multi-Exchange Index: | [Basket of Indices/Single Index]<br>[[Give or annex details]]<br><br>[Details of each Index Sponsor]<br><br>Multi-Exchange Index [Yes/No]<br><br>[The X Percentage [applies/does not apply] in relation to such Index]               |
| (iii) | Exchange(s):  | [•]  |
| (iv)  | Related Exchange(s):  | [[•]/All Exchanges]  |
| (v)   | [Valuation Date/Averaging Dates]:   | [•]  |
|       | [Adjustment provisions in the event of a Disrupted Day:   | [Omission/Postponement/Modified Postponement]<br><br><i>(NB: only applicable where Averaging Dates are specified)]</i>   |
|       | [Reference Price:   | [Condition 7(c) applies/other]<br><br><i>(NB: if fallback set out in the definition of "Valuation Date" in Condition 7(c) does not apply, set out method for determining the Reference Price in the event that each of the eight</i> |

*Scheduled Trading Days immediately following the Scheduled Valuation Date is a Disrupted Day)*

- |        |                                 |  |
|--------|---------------------------------|--|
| (vi)   | [Relevant Time/Valuation Time]: | [Condition 7 applies/other]  |
| (vii)  | Strike Price:                   | [•]  |
| (viii) | Trade Date:                     | [•]  |
| (ix)   | Correction of Index Levels:     | Correction of Index Levels [applies/does not apply and the Reference Price shall be calculated without regard to any subsequently published correction]. |

*(If Correction of Index Levels does not apply, delete the following sub-paragraph)*

- |                           |  |
|---------------------------|--|
| [Correction Cut-Off Date: | [[•] Business Days prior to the relevant Specified Interest Payment Date/In relation to Averaging Dates other than the final Averaging Dates, [•] days after the relevant Averaging Date and in relation to the final Averaging Date, [•] Business Days prior to the relevant Specified Interest Payment Date]]. |
|---------------------------|--|

*(Repeat as necessary where there are more Indices or insert a table)*

- |       |  |   |
|-------|--|---|
| (x)   | Party responsible for calculating the Interest Amount(s) (if not the Agent or, as the case may be, the Registrar): | [•]   |
| (xi)  | Specified Period(s)/Specified Interest Payment Dates:  | [•]<br><b>[N.B. Care must be taken to ensure that each Specified Interest Payment Date is postponed and cannot occur prior to an acceptable period before the last occurring Valuation Date or the Final Averaging Date, as the case may be, in respect of each such Specified Interest Payment Date].</b>                                  |
| (xii) | Business Day Convention:   | [Floating Rate Convention/Following Business Day Convention (Adjusted)/Following Business Day Convention (Unadjusted)/Modified Following Business Day Convention (Adjusted)/Modified Following Business Day Convention (Unadjusted)/Preceding Business Day Convention (Adjusted)/Preceding Business Day Convention (Unadjusted)/other (give |

details)]

*(NB: For the Business Day Convention to apply to the interest accrual periods specify “(Adjusted)” after the elected Business Day Convention. For the Business Day Convention to apply only to the Payment Dates and not apply to the interest accrual periods specify “(Unadjusted)” after the elected Business Day Convention.)*

- |         |                                    |   |
|---------|------------------------------------|---|
| (xiii)  | Additional Business Centre(s):     | [•]<br><br><i>(NB: If London is required to be open please specify London as a Business Centre above)</i> |
| (xiv)   | Minimum Rate of Interest:          | [•] per cent. per annum   |
| (xv)    | Maximum Rate of Interest:          | [•] per cent. per annum   |
| (xvi)   | Day Count Fraction:                | [•]   |
| (xvii)  | Additional Disruption Events:      | See paragraph 39  |
| (xviii) | Other terms or special conditions: | [•]   |
19. Equity Linked Interest Note Provisions [Applicable/Not Applicable]  
*(If not applicable, delete remaining sub-paragraphs of this paragraph)*
- |       |   |  |
|-------|---|--|
| (i)   | Provisions for determining Rate of Interest and/or Interest Amount:   | [Give or annex details]  |
| (ii)  | Whether the Secured Notes relate to a basket of Underlying Equities or a single Underlying Equity and the identity of the relevant issuer(s) of the Underlying Equity/Equities: | [Basket of Underlying Equities/Single Underlying Equity]<br><br><i>[Give or annex details of each Underlying Equity and each Equity Issuer. For GEM listed trades, note that any Underlying Equity must be traded on a regulated, regularly operating, recognised open market]</i> |
| (iii) | Exchange Traded Fund:   | [Applicable][Not Applicable]   |

[(further particulars specified below)]

- (iv) [Valuation Date/Averaging Dates]: [•]
- [Adjustment provisions in the event of a Disrupted Day: [Omission/Postponement/Modified Postponement]  
(NB: only applicable where Averaging Dates are specified)]
- Reference Price: [Condition 8(e) applies/other]  
  
(NB: if fallback set out in the definition of “Valuation Date” in Condition 8(e) does not apply, set out method for determining the Reference Price in the event that each of the eight Scheduled Trading Days immediately following the Scheduled Valuation Date (or Scheduled Averaging Date, as the case may be) is a Disrupted Day)
- (v) Valuation Time: [Condition 8(e) applies/other]
- (vi) Exchange: [•]
- (vii) Related Exchange(s): [[•]/All Exchanges]
- (viii) Potential Adjustment Events: [Applicable/Not Applicable]
- (ix) De-listing, Merger Event, Nationalisation and Insolvency: [Applicable/Not Applicable]
- (x) Tender Offer: [Applicable/Not Applicable]
- (xi) Equity Substitution: [Delete paragraph if applicable]/[Not Applicable]
- (xii) Correction of Underlying Equity Prices: Correction of Underlying Equity Prices [applies/does not apply and the Reference Price shall be calculated without regard to any subsequently published correction].  
  
(If Correction of Underlying Equity Prices does not apply, delete the following sub-paragraph)
- [Correction Cut-Off Date: [[•] Business Days prior to each Specified Interest Payment Date.]

- (xiii) Strike Price: [•]
- (xiv) Exchange Rate: [Applicable/Not Applicable]  
[Insert details]
- (Repeat as necessary where there are more Underlying Equities or insert a table)*
- (xv) Trade Date: [•]
- (xvi) Party responsible for calculating the Interest Amount(s) (if not the Agent or, as the case may be, the Registrar): [•]
- (xvii) Specified Period(s)/Specified Interest Payment Dates: [•]
- (xviii) Business Day Convention: [Floating Rate Convention/Following Business Day Convention (Adjusted)/Following Business Day Convention (Unadjusted)/Modified Following Business Day Convention (Adjusted)/Modified Following Business Day Convention (Unadjusted)/Preceding Business Day Convention (Adjusted)/Preceding Business Day Convention (Unadjusted)/other (give details)]
- (NB: For the Business Day Convention to apply to the interest accrual periods specify "(Adjusted)" after the elected Business Day Convention. For the Business Day Convention to apply only to the Payment Dates and not apply to the interest accrual periods specify "(Unadjusted)" after the elected Business Day Convention.)*
- (xix) Additional Business Centre(s): [•]  
*(NB: If London is required to be open please specify London as a Business Centre above)*
- (xx) Minimum Rate of Interest: [•]

	(xxi) Maximum Rate of Interest:	[•]
	(xxii) Day Count Fraction:	[•]
	(xxiii) Additional Disruption Events:	See paragraph 39
	(xxiv) Other terms or special conditions:	[•]
	[Exchange Traded Fund Particulars: <i>(delete entire section if Exchange Traded Fund is specified to be "Not Applicable")</i> ]	
	Exchange Traded Fund Business Day Jurisdictions(s):	[•]
	Replacement Exchange Traded Fund:	[Applicable][Not Applicable]
	Suspension Asset:	[Applicable][Not Applicable]
20.	Commodity Linked Interest Note Provisions	[Applicable/Not Applicable]  <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(i) Provisions for determining Rate of Interest and/or Interest Amount:	[Give or annex details]
	(ii) Whether the Secured Notes relate to a basket of Commodities on a single Commodity and identity of the relevant commodity(ies):	[Basket of Commodities/Single Commodity] [Give or annex details]
	(iii) [Valuation Date/Averaging Dates]:	[•]
	(iv) Strike Date:	[•]
	(v) Commodity:	[•]

- |        |  |   |
|--------|--|---|
| (vi)   | Information Source:                      | [•]   |
| (vii)  | Commodity Reference Price:               | [•]/[The Specified Price as published by the Price Source]/[Commodity Reference Dealers]  |
| (viii) | Correction of Commodity Reference Price: | [Applicable/Not Applicable]   |
| (ix)   | Price Materiality Percentage:            | [[•]/Not Applicable]  |
| (x)    | Exchange:                                | [•]   |
| (xi)   | Futures Contract:                        | [•]   |
| (xii)  | Delivery Date:                           | [[•]/[•] Nearby Month]  |
| (xiii) | Price Source:                            | [•]   |
| (xiv)  | Specified Price:                         | [(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 fixing; (O) the spot price; or (P) [Other – <i>please specify</i> ] |
| (xv)   | Market Disruption Event:                 | [Price Source Disruption]<br><br>[Trading Disruption]<br><br>[Disappearance of Commodity Reference Price]<br><br>[Material Change in Formula]<br><br>[Material Change in Content]<br><br>[Tax Disruption]<br><br>[Other – <i>Please specify</i> ]   |
| (xvi)  | Reference Dealers:                       | [[•]/The Calculation Agent]   |

*(Repeat as necessary where there are more Commodities or*

*insert a table)*

(xvii)	Trade Date:	[•]
(xviii)	Party responsible for calculating the Interest Amount(s) (if not the Agent or, as the case may be, the Registrar):	[•] <b>[N.B. Care must be taken to ensure that each Specified Interest Payment Date is postponed and cannot occur prior to an acceptable period before the last occurring Commodity Valuation Date, as the case may be, in respect of each such Specified Interest Payment Date]</b>
(xix)	Specified Period(s)/Specified Interest Payment Dates:	[•]
(xx)	Business Day Convention:	[Floating Rate Convention/Following Business Day Convention (Adjusted)/Following Business Day Convention (Unadjusted)/Modified Following Business Day Convention (Adjusted)/Modified Following Business Day Convention (Unadjusted)/Preceding Business Day Convention (Adjusted)/Preceding Business Day Convention (Unadjusted)/other ( <i>give details</i> )]  <i>(NB: For the Business Day Convention to apply to the interest accrual periods specify "(Adjusted)" after the elected Business Day Convention. For the Business Day Convention to apply only to the Payment Dates and not apply to the interest accrual periods specify "(Unadjusted)" after the elected Business Day Convention.)</i>
(xxi)	Additional Business Centre(s):	[•]  <i>(NB: If London is required to be open please specify London as a Business Centre above)</i>
(xxii)	Minimum Rate of Interest:	[•] per cent. per annum
(xxiii)	Maximum Rate of Interest:	[•] per cent. per annum
(xxiv)	Day Count Fraction:	[•]
(xxv)	Additional Disruption Events:	See paragraph 39

- (xxvi) Other terms or special conditions: [•]
21. Currency Linked Interest Note Provisions [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Relevant Currency(ies):
- (ii) Provisions for determining Rate of Interest and/or Interest Amount: [Give or annex details]
- Currency Exchange Rate(s): [spot currency exchange rate] [currency exchange rate] [•] expressed as the amount of *[insert currency]* per one *[insert currency]* which appears on the Screen Page
- Valuation Date: [Not Applicable/[•]]
- Averaging Date(s): [Not Applicable/[•]]
- Observation Date(s): [Not Applicable/[•]]
- Valuation Time: [•]
- Screen Page: [•] [Bloomberg Code:[•] <Currency>][or]
- [Reuters RIC Code: [•]]
- (Repeat as necessary where there are more than one Currency Exchange Rate or insert a table)*
- (iii) Trade Date: [•]
- (iv) Party responsible for calculating the Rate of Interest and/or Interest Amount(s) (if not the Agent or, as the case may be, the Registrar): [•]
- (v) Specified Period(s)/Specified Interest Payment Dates: [•]
- (vi) Business Day [Floating Rate Convention/Following Business Day Convention]

	Conventions:	(Adjusted)/Following Business Day Convention (Unadjusted)/Modified Following Business Day Convention (Adjusted)/Modified Following Business Day Convention (Unadjusted)/Preceding Business Day Convention (Adjusted)/ Preceding Business Day Convention (Unadjusted)/other ( <i>give details</i> )  <i>(NB: For the Business Day Convention to apply to the interest accrual periods specify "(Adjusted)" after the elected Business Day Convention. For the Business Day Convention to apply only to the Payment Dates and not apply to the interest accrual periods specify "(Unadjusted)" after the elected Business Day Convention.)</i>
(vii)	Additional Business Centre(s):	[•]
(viii)	Minimum Rate of Interest:	[•] per cent. per annum
(ix)	Maximum Rate of Interest:	[•] per cent. per annum
(x)	Day Count Fraction:	[•]
(xi)	Additional Disruption Events:	See paragraph 39
(xii)	Other terms or special conditions:	[•]
22.	Government Bond Linked Interest Note Provisions	[Applicable/Not Applicable]  <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(i)	Provisions for determining Rate of Interest and/or Interest Amount:	[Give or annex details]
(ii)	Whether the Secured Notes relate to a basket of Government Bonds or a single Government Bond and identity of the relevant Government Bond(s) and/or related Reference Asset(s) (if	[Basket of Government Bonds/Single Government Bond] [Give or annex details]

any):

- (iii) [Valuation Date/Averaging Dates]: [•]
- (iv) Information Source: [•]
- (v) Exchange: [•]
- (vi) [Contract][specify details of related futures contract (if any)]: [•]

(Repeat as necessary where there are more Government Bonds or insert a table)

- (vii) Trade Date: [•]
- (viii) Party responsible for calculating the Interest Amount(s) (if not the Agent or, as the case may be, the Registrar): [•]

**[N.B. Care must be taken to ensure that each Specified Interest Payment Date is postponed and cannot occur prior to an acceptable period before the last occurring Government Bond Valuation Date, as the case may be, in respect of each such Specified Interest Payment Date]**

- (ix) Specified Period(s)/Specified Interest Payment Dates: [•]

- (x) Business Day Convention: [Floating Rate Convention/Following Business Day Convention (Adjusted)/Following Business Day Convention (Unadjusted)/Modified Following Business Day Convention (Adjusted)/Modified Following Business Day Convention (Unadjusted)/Preceding Business Day Convention (Adjusted)/Preceding Business Day Convention (Unadjusted)/other (give details)]

*(NB: For the Business Day Convention to apply to the interest accrual periods specify "(Adjusted)" after the elected Business Day Convention. For the Business Day Convention to apply only to the Payment Dates and not apply to the interest accrual periods specify "(Unadjusted)" after the elected Business Day Convention.)*

- (xi) Additional Business Centre(s): [•]

(NB: If London is required to be open please specify London as a Business Centre above)

- |        |                                    |                         |
|--------|------------------------------------|-------------------------|
| (xii)  | Minimum Rate of Interest:          | [•] per cent. per annum |
| (xiii) | Maximum Rate of Interest:          | [•] per cent. per annum |
| (xiv)  | Day Count Fraction:                | [•]                     |
| (xv)   | Additional Disruption Events:      | See paragraph 39        |
| (xvi)  | Other terms or special conditions: | [•]                     |
23. Fund Linked Interest Note Provisions [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- |       |  |   |
|-------|--|---|
| (i)   | Provisions for determining Rate of Interest and/or Interest Amount:  | [Give or annex details]                               |
| (ii)  | Whether the Secured Notes relate to a basket of Funds or a single Fund and identity of the relevant Fund(s): | [Basket of Funds/Single Fund] [Give or annex details] |
| (iii) | [Valuation Date/Averaging Dates]:  | [•]   |
| (iv)  | Information Source:  | [•]   |
| (v)   | [Replacement Fund:]  | [Applicable/Not Applicable]                           |
| (vi)  | [Suspension Asset:]  | [Applicable/Not Applicable]                           |
| (vii) | Effective Date:  | [•]   |
- (Repeat as necessary where there are more Funds or insert a table)*

- |        |  |  |
|--------|--|--|
| (viii) | Trade Date:  | [•]  |
| (ix)   | Party responsible for calculating the Interest Amount(s) (if not the Agent or, as the case may be, the Registrar): | <p>[•]</p> <p><b>[N.B. Care must be taken to ensure that each Specified Interest Payment Date is postponed and cannot occur prior to an acceptable period before the last occurring Fund Valuation Date, as the case may be, in respect of each such Specified Interest Payment Date]</b></p>  |
| (x)    | Specified Period(s)/Specified Interest Payment Dates:  | [•]  |
| (xi)   | Business Day Convention:   | <p>[Floating Rate Convention/Following Business Day Convention (Adjusted)/Following Business Day Convention (Unadjusted)/Modified Following Business Day Convention (Adjusted)/Modified Following Business Day Convention (Unadjusted)/Preceding Business Day Convention (Adjusted)/Preceding Business Day Convention (Unadjusted)/other (give details)]</p> <p><i>(NB: For the Business Day Convention to apply to the interest accrual periods specify “(Adjusted)” after the elected Business Day Convention. For the Business Day Convention to apply only to the Payment Dates and not apply to the interest accrual periods specify “(Unadjusted)” after the elected Business Day Convention.)</i></p> |
| (xii)  | Additional Business Centre(s):   | <p>[•]</p> <p><i>(NB: If London is required to be open please specify London as a Business Centre above)</i></p>   |
| (xiii) | Minimum Rate of Interest:  | [•] per cent. per annum  |
| (xiv)  | Maximum Rate of Interest:  | [•] per cent. per annum  |
| (xv)   | Day Count Fraction:  | [•]  |
| (xvi)  | Additional Disruption Events:  | See paragraph 39   |
| (xvii) | Other terms or special conditions:   | [•]  |

24. Inflation Index Linked Interest Note Provisions [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Provisions for determining Rate of Interest and/or Interest Amount: [Give or annex details]
- (ii) Whether the Secured Notes relate to a basket of Inflation Indices or a single Inflation Index and identity of the relevant Inflation Index/Indices: [Basket of Inflation Indices/Single Inflation Index] [Give or annex details]
- (iii) [Valuation Date/Averaging Dates]: [•]
- (iv) Information Source: [•]
- (v) Inflation Fixing Months: [•]
- (Repeat as necessary where there are more Inflation Indices or insert a table)*
- (vi) Trade Date: [•]
- (vii) Party responsible for calculating the Interest Amount(s) (if not the Agent or, as the case may be, the Registrar): [•]
- [N.B. Care must be taken to ensure that each Specified Interest Payment Date is postponed and cannot occur prior to an acceptable period before the last occurring Inflation Index Valuation Date, as the case may be, in respect of each such Specified Interest Payment Date]**
- (viii) Specified Period(s)/Specified Interest Payment Dates: [•]
- (ix) Business Day Convention: [Floating Rate Convention/Following Business Day Convention(Adjusted)/Following Business Day Convention (Unadjusted)/Modified Following Business Day Convention (Adjusted)/Modified Following Business Day Convention (Unadjusted)/Preceding Business Day Convention (Adjusted)/ Preceding Business Day Convention (Unadjusted)/other (give details)]

*(NB: For the Business Day Convention to apply to the interest accrual periods specify “(Adjusted)” after the elected Business Day Convention. For the Business Day Convention to apply only to the Payment Dates and not apply to the interest accrual periods specify “(Unadjusted)” after the elected Business Day Convention.)*

- |        |                                    |   |
|--------|------------------------------------|---|
| (x)    | Additional Business Centre(s):     | [•]<br><br><i>(NB: If London is required to be open please specify London as a Business Centre above)</i> |
| (xi)   | Minimum Rate of Interest:          | [•] per cent. per annum   |
| (xii)  | Maximum Rate of Interest:          | [•] per cent. per annum   |
| (xiii) | Day Count Fraction:                | [•]   |
| (xiv)  | Additional Disruption Events:      | See paragraph 39  |
| (xv)   | Other terms or special conditions: | [•]   |
25. Certificate Linked Interest Note Provisions [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- |       |   |   |
|-------|---|---|
| (i)   | Provisions for determining Rate of Interest and/or Interest Amount:   | [Give or annex details]   |
| (ii)  | Whether the Secured Notes relate to a basket of Certificates or a single Certificate and identity of the relevant Certificate(s): | [Basket of Certificates/Single Certificate] [Give or annex details] |
| (iii) | [Valuation Date/Averaging Dates]:   | [•]   |
| (iv)  | Information Source:   | [•]   |
- (Repeat as necessary where there are more Certificates or*

*insert a table)*

(v)	Trade Date:	[•]
(vi)	Party responsible for calculating the Interest Amount(s) (if not the Agent or, as the case may be, the Registrar):	<p>[•]</p> <p><b>[N.B. Care must be taken to ensure that each Specified Interest Payment Date is postponed and cannot occur prior to an acceptable period before the last occurring Certificate Valuation Date, as the case may be, in respect of each such Specified Interest Payment Date]</b></p>
(vii)	Specified Period(s)/Specified Interest Payment Dates:	[•]
(viii)	Business Day Convention:	<p>[Floating Rate Convention/Following Business Day Convention (Adjusted)/Following Business Day Convention (Unadjusted)/Modified Following Business Day Convention (Adjusted)/Modified Following Business Day Convention (Unadjusted)/Preceding Business Day Convention (Adjusted)/Preceding Business Day Convention (Unadjusted)/other (<i>give details</i>)]</p> <p><i>(NB: For the Business Day Convention to apply to the interest accrual periods specify “(Adjusted)” after the elected Business Day Convention. For the Business Day Convention to apply only to the Payment Dates and not apply to the interest accrual periods specify “(Unadjusted)” after the elected Business Day Convention.)</i></p>
(ix)	Additional Business Centre(s):	<p>[•]</p> <p><i>(NB: If London is required to be open please specify London as a Business Centre above)</i></p>
(x)	Minimum Rate of Interest:	[•] per cent. per annum
(xi)	Maximum Rate of Interest:	[•] per cent. per annum
(xii)	Day Count Fraction:	[•]
(xiii)	Additional Disruption Events:	See paragraph 39
(xiv)	Other terms or special conditions:	[•]

## PROVISIONS RELATING TO REDEMPTION

26. Call Option [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Issuer Optional Redemption Date(s): [•]
  - (ii) Issuer Optional Redemption Amount(s) and method, if any, of calculation of such amount(s): [•] per Calculation Amount  
*(Consideration to be given to accrued interest)*
  - (iii) If redeemable in part:
    - (a) Minimum Redemption Amount: [•]
    - (b) Maximum Redemption Amount: [•]
  - (iv) Notice period (if other than as set out in the Conditions): [•]  
*(NB: If setting notice periods which are different to those provided in the Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Agent or Trustee)*
27. Put Option [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Secured Noteholder Optional Redemption Date(s): [•]
  - (ii) Secured Noteholder Optional Redemption Amount(s) and method, if any, of calculation of such amount(s): [•] per Calculation Amount
  - (iii) Notice period (if other [•])

than as set out in the Conditions):

*(NB: If setting notice periods which are different to those provided in the Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Agent or Trustee)*

28. Final Redemption Amount      ☐ per Calculation Amount/specify other/Not Applicable]
- (Where Notes are Index Linked Redemption Notes, Equity Linked Redemption Notes, Credit Linked Notes, Currency Linked Notes, Commodity Linked Redemption Notes, Government Bond Linked Redemption Notes, Fund Linked Redemption Notes, Inflation Index Linked Redemption Notes or Certificate Linked Redemption Notes or specify "Not Applicable" and complete Item 30, 31, 32, 33, 34, 35, 36, 37 or, 38 below as applicable)*
29. Early Redemption Amount
- (i) Early Redemption Amount(s) payable on redemption following (a) the occurrence of an event of default or (b) illegality or (c) tax: or (d) in the case of Index Linked Notes, following an Index Adjustment Event in accordance with Condition 7(b)(ii)(b) or (e) in the case of Equity Linked Notes, following certain corporate events in accordance with Condition 8(b)(ii)(B) or (f) in the case of Credit Linked Notes, following a Merger Event (if applicable) or a Constraint Event (if Condition 10(w)(1)(ii) applies; see paragraph 32(li)(b) below), and/or the method of calculating the same (if required or if different from that set out in Condition 5(e)) or (g) in the case of
- [As set out in Condition 5(e)]
- OR
- ☐ per Calculation Amount [less the cost to the Issuer and/or its Affiliates of unwinding or adjusting any underlying or related hedging arrangements in respect of the Secured Notes]]
- OR
- [in respect of Credit Linked Notes:*
- Condition 5(e) shall apply and for the purposes of calculating the fair market value of the principal amount of the Secured Notes equal to the Calculation Amount the Calculation Agent shall take into account Unwind Costs (as defined in Condition 10), provided that the cost of breaking any deposit shall not be taken into account where the Early Redemption Amount is payable as a result of an Event of Default by the Issuer.
- OR
- [If an Early Redemption Amount is payable otherwise than as a result of an Event of Default in respect of the Secured Notes, the early redemption amount shall be calculated by the Calculation Agent as the fair market value of the Secured Notes.]
- OR
- [Specify other]

Commodity Linked  
Notes, following a  
Market Disruption Event  
in accordance with  
Condition 11(b)(i) or (h)  
in the case of  
Government Bond  
Linked Notes, following a  
Market Disruption Event  
in accordance with  
Condition 12(b)(i) or (i) in  
the case of Fund Linked  
Notes, following the  
occurrence of a Trigger  
Event, a Potential  
Trigger Event, an  
Insolvency or a Merger  
Event in accordance with  
Condition 13(b)(i) or (j) in  
the case of Inflation  
Index Linked Notes,  
following modification,  
alteration or  
discontinuance of the  
relevant Inflation Index in  
accordance with  
Condition 14(b)(i) or (k)  
in the case of Certificate  
Linked Notes, following a  
Market Disruption Event  
in accordance with  
Condition 15(b)(i) or (l)  
following an Additional  
Disruption Event (if  
applicable) in  
accordance with  
Condition 16(b)(ii):

- |      |  |  |
|------|--|--|
| (ii) | Early Redemption<br>Amount includes amount<br>in respect of accrued<br>interest: | [Yes: no additional amount in respect of accrued interest to be<br>paid/No: together with the Early Redemption Amount, accrued<br>interest shall also be paid] |
|------|--|--|

***N.B. For all Secured Notes attention should be given to how accrued interest should be included in the computation of the Early Redemption Amount, if at all***

30. Index Linked Redemption Notes: [Applicable/Not Applicable]

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

- (i) Whether the Secured Notes relate to a basket of indices or a single index, the identity of the relevant Index/Indices and details of the relevant index sponsors and whether such Index/Indices are a Multi-Exchange Index: [Basket of Indices/Single Index] [(Give or annex details)] [Details of each Index Sponsor] Multi-Exchange Index [Yes/No] [The X Percentage [applies/does not apply] in relation to such Index]
- (ii) Calculation Agent responsible for making calculations pursuant to Condition 7: [•][Address of Calculation Agent]
- (iii) Exchange(s): [•]
- (iv) Related Exchange(s): [[•]/All Exchanges]
- (v) Final Redemption Amount: [Express per Calculation Amount]
- (vi) [Valuation Date/Averaging Dates]: [•]
- [Adjustment provisions in the event of a Disrupted Day: [Omission/Postponement/Modified Postponement] (NB: only applicable where Averaging Dates are specified)]
- [Reference Price: [Condition 7(c) applies/other] (NB: if fallback set out in the definition of "Valuation Date" in Condition 7(c) does not apply, set out method for determining the Reference Price in the event that each of the eight Scheduled Trading Days immediately following the Scheduled Valuation Date is a Disrupted Day)]
- (vii) [Relevant Time/Valuation Time]: [Condition 7 applies/other]
- (viii) Strike Price: [•]
- (ix) Trade Date: [•]
- (x) Correction of Index Levels: Correction of Index Levels [applies/does not apply and the Reference Price shall be calculated without regard to any subsequently published correction].
- (If Correction of Index Levels does not apply, delete the

*following sub-paragraph)*

[Correction Cut-Off Date: [[•] Business Days prior to the Maturity Date/In relation to Averaging Dates other than the final Averaging Dates, [•] days after the relevant Averaging Date and in relation to the final Averaging Date, [•] Business Days prior to the Maturity Date]].

*(Repeat as necessary where there are more Indices or insert a table)*

(xi) Additional Disruption Events: See paragraph 39

(xii) Other terms or special conditions: [•]

31. Equity Linked Redemption Notes: [Applicable/Not Applicable]

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

(i) Whether the Secured Notes relate to a basket of Underlying Equities or a single Underlying Equity and the identity of the relevant issuer(s) of the Underlying Equity/Equities: [Basket of Underlying Equities/Single Underlying Equity]  
[Give or annex details of each Underlying Equity and each Equity Issuer. For GEM listed trades, note that any Underlying Equity must be traded on a regulated, regularly operating, recognised open market]

(ii) Exchange Traded Fund: [Applicable][Not Applicable]  
[*(further particulars specified below)*]

(iii) Whether redemption of the Secured Notes will be by (a) Cash Settlement or (b) Physical Delivery or (c) Cash Settlement and/or Physical Delivery: [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)*  
*(In the case of Registered Notes that are to be cleared through CREST, Cash Settlement is assumed).*

(iv) Calculation Agent responsible for making calculations pursuant to [•][Address of Calculation Agent]

Condition 8:

- (v) Exchange: [•]
- (vi) Related Exchange(s): [[•]/All Exchanges]
- (vii) Potential Adjustment Events: [Applicable/Not Applicable]
- (viii) De-listing, Merger Event, Nationalisation and Insolvency: [Applicable/Not Applicable]
- (ix) Tender Offer: [Applicable/Not Applicable]
- (x) Equity Substitution: [*Delete paragraph if applicable*]/[Not Applicable]
- (xi) Correction of Underlying Equity Prices: Correction of Underlying Equity Prices [applies/does not apply and the Reference Price shall be calculated without regard to any subsequently published correction].
- (If Correction of Underlying Equity Prices does not apply, delete the following sub paragraph)*
- [Correction Cut-Off Date: [[•] Business Days prior to the Maturity Date.]
- (Repeat as necessary where there are more Underlying Equities or insert a table)*
- (xii) Final Redemption Amount: [Express per Calculation Amount]
- [Valuation Date/Averaging Dates]: [•]
- [Adjustment provisions in the event of a Disrupted Day: [Omission/Postponement/Modified Postponement]
- (NB: only applicable where Averaging Dates are specified)*
- Reference Price: [Condition 8(e) applies /other]
- (NB: if fallback set out in the definition of “Valuation Date” in*

*Condition 8(e) does not apply, set out method for determining the Reference Price in the event that each of the eight Scheduled Trading Days immediately following the Scheduled Valuation Date is a Disrupted Day)*

- |         |  |   |
|---------|--|---|
| (xiii)  | Valuation Time:  | [Condition 8(e) applies/other]  |
| (xiv)   | Strike Price:  | [•]   |
| (xv)    | Exchange Rate:   | [Applicable/Not Applicable]<br><br>[Insert details]   |
| (xvi)   | Trade Date:  | [•]   |
| (xvii)  | Relevant Assets:   | [Only applicable for Physical Delivery or Cash Settlement and/or Physical Delivery]                         |
| (xviii) | Asset Amount:  | [Only applicable for Physical Delivery or Cash Settlement and/or Physical Delivery]                         |
| (xix)   | Cut-Off Date:  | [Only applicable for Physical Delivery or Cash Settlement and/or Physical Delivery]                         |
| (xx)    | Final Date:  | [•]   |
| (xxi)   | Delivery provisions for Asset Amount (including details of who is to make such delivery) if different from Conditions: | [Only applicable for Physical Delivery or Cash Settlement and/or Physical Delivery]                         |
| (xxii)  | Other terms or special conditions:   | [•]   |
| (xxiii) | Failure to Deliver due to Illiquidity:   | [Applicable/Not Applicable]<br><br>(NB: Only applicable to certain types of Equity Linked Redemption Notes) |
| (xxiv)  | Additional Disruption Events:  | See paragraph 39  |

[Exchange Traded Fund Particulars: ( <i>delete entire section if Exchange Traded Fund is specified to be "Not Applicable"</i> )	
Exchange Traded Fund Business	[•]
Day Jurisdiction(s):	
Replacement Exchange Traded Fund:	[Applicable][Not Applicable]
Suspension Asset:	[Applicable][Not Applicable]
32. Credit Linked Notes:	[Applicable][Not Applicable]
[NB: Consider whether definitions included in Conditions are up to date] (If not applicable, delete the remaining sub-paragraphs of this paragraph)	
(i) Type of Secured Notes:	[Single Name Credit Linked Notes/First-to-Default Credit Linked Notes/Nth-to-Default Credit Linked Notes*/Linear Basket Notes**/other***]
	[*Where the Secured Notes are Nth-to-Default Credit Linked Notes, specify the value of N, e.g. "Second-to-Default Credit Linked Notes"]
	[**Where the Secured Notes are Linear Basket Notes specify the weighting of the Basket]
	[***If Credit Linked Notes of a type other than covered by Condition 10 are being issued then applicable additional provisions will need to be set out in full in this Pricing Supplement]
(ii) Credit Derivatives Physical Settlement Matrix:	
(a) Physical Settlement Matrix Standard Terms:	[Applicable/Not Applicable]
	[Condition 10(o). The Physical Settlement Matrix Standard Terms can apply to a Physically Settled, Cash Settled or Auction Settled Note]

- |     |  |   |
|-----|--|---|
| (b) | Version of Physical Settlement Matrix: | The “Credit Derivatives Physical Settlement Matrix” as published by ISDA on [●], a copy of which is appended to this Pricing Supplement |
|-----|--|---|

*[If Applicable, append the version of the Physical Settlement Matrix which is being used to this Pricing Supplement]*

#### *General*

- |        |  |   |
|--------|--|---|
| (iii)  | Final Redemption Amount::  | <i>[Express per Calculation Amount]</i>   |
| (iv)   | Trade Date:  | [●]                                       |
| (v)    | Specified Business Centre(s):  | [●]                                       |
| (vi)   | Business Day Convention:   | [Following/Modified Following/Preceding]  |
| (vii)  | Calculation Agent responsible for making calculations and determinations pursuant to Condition 10: | [●] <i>[Address of Calculation Agent]</i> |
| (viii) | Calculation Agent City:  | [●]                                       |

#### *Credit Provisions*

- |      |                        |  |
|------|------------------------|--|
| (ix) | Reference Entity(ies): | [●]  |
| (a)  | Transaction Type(s):   | [●] <i>[Not Applicable]</i> <i>[Specify Transaction Type(s) where “Physical Settlement Matrix Standard Terms” is applicable]</i> |

*[If more than one Reference Entity, insert the following:*

- |     |                      |   |
|-----|----------------------|---|
| 1.  | [Reference Entity 1: | [●] (Reference Entity 1)  |
| (a) | Transaction          | [●] <i>[Not Applicable]</i> <i>[Specify Transaction Type(s) where</i> |

Type(s): *“Physical Settlement Matrix Standard Terms” is applicable*

(b) Reference Entity [•] *[Only applicable to Linear Basket Notes]*  
Notional  
Amount:

(c) Reference Entity [•] *[Only applicable to Linear Basket Notes]*  
Applicable  
Percentage:

2. [Reference Entity 2: [•] (Reference Entity 2)

(a) Transaction Type(s): [•] *[Not Applicable] [Specify Transaction Type(s) where  
“Physical Settlement Matrix Standard Terms” is applicable]*

(b) Reference Entity [•] *[Only applicable to Linear Basket Notes]*  
Notional Amount:

*[NB complete and number accordingly in relation to additional  
Reference Entities. Also repeat relevant information in (xi) – (xx)  
below inclusive in respect of each Reference Entity, specifying  
“In relation to Reference Entity [1]” or similar in relation to the  
relevant information.]*

(x) Fixed Number of [Applicable/Not Applicable]  
Reference Entities:

(xi) Successor Backstop Date: [Applicable/Not Applicable]

(xii) Reference Obligation(s): [•]  
[Standard Reference Obligation is Applicable.]

[Seniority Level: [Senior Level][Subordinated Level]]

[Original Non-Standard Reference Obligation:

[NB complete details in (vii) in  
relation to each Non-Standard  
Reference Obligation]

[The obligation[s]  
identified as follows:

- (a) Primary Obligor: [●]
- (b) Guarantor: [●]
- (c) Maturity: [●]
- (d) Coupon: [●]
- (e) CUSIP/ISIN: [●]
- (xiii) All Guarantees: [With respect to each Reference Entity, as specified in the Physical Settlement Matrix] or [Applicable/Not Applicable]
- (xiv) Credit Events: [With respect to each Reference Entity, as specified in the Physical Settlement Matrix]
- [Where the Physical Settlement Matrix Standard Terms apply, specify whether "Restructuring" is applicable in the case of a North American Corporate Transaction Type or Standard North American Corporate Transaction Type]*
- or
- [Bankruptcy]
- [Failure to Pay]
- [Grace Period Extension: [Applicable/Not Applicable]]
- [If Applicable: Grace Period: [●]]*
- [Credit Deterioration Requirement: [Applicable/Not Applicable]]
- [Obligation Acceleration]
- [Obligation Default]
- [Repudiation/Moratorium]
- [Restructuring]
- [If Restructuring is applicable:*

- [Mod R: [Applicable/Not Applicable]]
- [Mod Mod R: [Applicable/Not Applicable]]
- [Multiple Holder Obligation: [Applicable/Not Applicable]]

[Governmental Intervention]

[If Governmental Intervention is applicable:

- [CoCo Provisions: [Applicable/Not Applicable]]
- [Trigger Percentage: [●] per cent.]

[other]

- |        |   |  |
|--------|---|--|
| (a)    | Default Requirement:                      | [●]  |
| (b)    | Payment Requirement:                      | [●]  |
| (c)    | Financial Reference Entity Terms:         | [Applicable – [Senior/Subordinated] Transaction is applicable]   |
| (d)    | Subordinated European Insurance Terms:    | [Applicable / Not Applicable]  |
| (xv)   | Credit Event Backstop Date:               | [Applicable / Not Applicable]  |
| (xvi)  | Notice of Publicly Available Information: | <p>[Applicable/Not Applicable]</p> <p>[If Applicable:</p> <ul style="list-style-type: none"> <li>– Public Source(s): [As per Condition 10(r)] or [specify sources]]</li> <li>– Specified Number: [●]]</li> </ul> <p>[Other Physical Settlement Matrix Standard Terms apply (if any)]</p> |
| (xvii) | Event Determination Date:                 | [Event Determination Date Version A] [ <i>This is equivalent to a</i>  |

*CDS with two Notifying Parties]*

[Event Determination Date Version B] [*This is equivalent to a CDS with Buyer as sole Notifying Party*]

[*Select one of the above*]

(xviii) Obligation(s):

(a) Obligation  
Category

[With respect to each Reference Entity, as specified in the Physical Settlement Matrix]

*or*

[*select one only*]:

[Payment]

[Borrowed Money]

[Reference Obligations Only]

[Bond]

[Loan]

[Bond or Loan]

(b) Obligation  
Characteristics:

[With respect to each Reference Entity, as specified in the Physical Settlement Matrix]

*or*

[*select all of which apply*]

[Non Subordinated]

[Specified Currency: [*specify currency*] or [Standard Specified Currencies]

[Not Sovereign Lender]

[Not Domestic Currency:]

[Domestic Currency means: [*specify currency*] or [As

per Condition 10(r)]]

[Not Domestic Law]

[Listed]

[Not Domestic Issuance]

(c) Additional  
Obligation(s): [•]

(xix) [Provisions relating to Monoline Insurer as Reference Entity: [Condition 10(s) [Applicable/Not Applicable]/[Condition 10(r) [Applicable/Not Applicable]] (*N.B. If applicable, only one of Condition 10(s) and Condition 10(t) should be specified but not both*)]]

(xx) Excluded Obligation(s): [•]

(xxi) Settlement:

(a) Settlement  
Method: [Cash Settlement/Physical Delivery/Auction Settlement]

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

(xxii) Accrual of Interest upon Credit Event: [Applicable/Not Applicable] (*N.B. If applicable and Specified Currency is other than EUR ensure main financial centre of Specified Currency is specified in item 33(v)*)

(a) Overnight Rate: [*Provide details if Accrual of Interest upon Credit Event is applicable and Specified Currency is other than EUR or U.S.\$*]

(xxiii) Merger Event: [Applicable/Not Applicable]

(xxiv) Unwind Costs: [•] [Specify Amount] [Standard Unwind Costs/Not Applicable]

*Terms relating to Cash  
Settlement*

(xxv) Credit Event Redemption [Express per Calculation Amount] or [As specified in Condition

Amount:	10(r)]
	<i>[If applicable, insert the following:</i> The Credit Event Redemption Amount in respect of each Calculation Amount shall be rounded to the nearest 0.01 in the Specified Currency with 0.005 rounded [up]wards [See paragraph [1] of Schedule 1 hereto]
(xxvi) Credit Event Redemption Date:	[[•] Business Days] or [As specified in Condition 10(r)]
(xviii) Valuation Date:	[Single Valuation Date:
	[•] Business Days]
	[Multiple Valuation Dates:
	[•] Business Days; and each Business Days thereafter.
	Number of Valuation Dates: [•]]
(xxviii) Valuation Time:	[•]
(xxix) Quotation Method:	[Bid/Offer/Mid-market]
(xxx) Quotation Amount:	[•]/Representative Amount]
(xxxi) Minimum Quotation Amount:	[•]
(xxxii) Quotation Dealers:	[•]
(xxxiii) Quotations:	[Include Accrued Interest/Exclude Accrued Interest]
(xxxiv) Valuation Method:	[Market/Highest]
(xxxv) Valuation Obligation(s): The following Deliverable Obligation Category and Deliverable Obligation Characteristics shall apply:	
(a) Deliverable Obligation	[With respect to each Reference Entity, as specified in the

Category: Physical Settlement Matrix]

*or*

[select one only]

[Payment]

[Borrowed Money]

[Reference Obligations Only]

[Bond]

[Loan]

[Bond or Loan]

(b) Deliverable Obligation Characteristics: [With respect to each Reference Entity, as specified in the Physical Settlement Matrix]

*or*

[select all of which apply]

[Not Subordinated]

[Specified Currency: [specify currency] or [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: [insert Maximum Maturity in years]]
		[Accelerated or Matured]
		[Not Bearer]
	(c) Additional Deliverable Obligation(s):	[•]
	(d) Excluded Deliverable Obligation(s):	[•]
(xxxvi)	Other terms or special conditions:	[Average Market/Highest/Average Highest]
		[[Weighted]Blended Market/Blended Highest]
		[[Weighted]Average Blended Market/ Average Blended Highest]
		[•]
<i>Terms relating to Physical Delivery</i>		
(xxxvii)	Physical Settlement Period:	[With respect to each Reference Entity, as specified in the Physical Settlement Matrix]
		or
		[•] Business Days]
(xxxviii)	Asset Amount:	[Include Accrued Interest/Exclude Accrued Interest]

(xxxix) Settlement Currency: [•]

(xl)) Deliverable Obligations: [Applicable] [Not Applicable]

(a) Deliverable  
Obligation  
Category: [With respect to each Reference Entity, as specified in the  
Physical Settlement Matrix]

*or*

[select one only]

[Payment]

[Borrowed Money]

[Reference Obligations Only]

[Bond]

[Loan]

[Bond or Loan]

(b) Deliverable  
Obligation  
Characteristics: [With respect to each Reference Entity, as specified in the  
Physical Settlement Matrix]

*or*

[select all of which apply]

[Not Subordinated]

[Specified Currency: [specify currency] or [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: [insert Maximum Maturity in years]]

[Accelerated or Matured]

[Not Bearer]

- |        |  |                               |
|--------|--|-------------------------------|
| (c)    | Additional Deliverable Obligation(s):              | [•]                           |
| (d)    | Excluded Deliverable Obligation(s):                | [•]                           |
| (e)    | Asset Package Delivery:                            | [Applicable/Not Applicable]   |
| (f)    | Sovereign No Asset Package Delivery:               | [Applicable/Not Applicable]   |
| (xli)  | Partial Cash Settlement of Consent Required Loans: | [Applicable] [Not Applicable] |
| (xlii) | Partial Cash Settlement of Assignable Loans:       | [Applicable] [Not Applicable] |

- (xlili) Partial Cash Settlement of Participations [Applicable] [Not Applicable]
- (xliv) Delivery provisions for Asset Amount if different from stated above: [•] [Not Applicable]
- (xlv) Indicative Quotations: [Applicable/Not Applicable] [Applicable in respect of Undeliverable Obligations only [*This latter option is the standard position under the 2014 Credit Derivatives Definitions*]]
- (xlvi) Cut-Off Date: [•]
- (xlvii) Delivery provisions for Asset Amount (including details of who is to make such delivery) if different from Conditions: [•]
- (xlviii) Other terms or special conditions: [*Insert if applicable*]

*Terms relating to Auction Settlement*

- (xlix) Auction Credit Event Redemption Amount: [*Express per Calculation Amount*] or [As specified in Condition 10(r)]
- (l) Auction Credit Event Redemption Date: [•] or [As specified in Condition 10(r)]

*Adjustments following a Constraint Event*

- (li) Constraint Events
- (a) Constraint Event provisions: [Applicable/Not Applicable]  
*(If not applicable, delete the following sub-paragraph "Type of Constraint Event")*
- (b) Constraint Event Early [Applicable/Not Applicable]

Redemption:

(iii) Type of Constraint  
Event:

- |     |                                   |   |
|-----|-----------------------------------|---|
| (a) | General<br>Inconvertibility:      | [Applicable/Not Applicable]<br><br>If applicable:<br><br>Relevant Jurisdictions [give details]<br><br>Local Currency [give details]   |
| (b) | Specific<br>Inconvertibility:     | [Applicable/Not Applicable]<br><br>If applicable:<br><br>Reference Entity [ <i>give details</i> ]<br><br>Relevant Jurisdictions [ <i>give details</i> ]<br><br>Local Currency [ <i>give details</i> ] |
| (c) | General Non-<br>Transferability:  | [Applicable/Not Applicable]<br><br>If applicable:<br><br>Relevant Jurisdictions [ <i>give details</i> ]<br><br>Local Currency [ <i>give details</i> ]   |
| (d) | Specific Non-<br>Transferability: | [Applicable/Not Applicable]<br><br>If applicable:<br><br>Reference Entity [ <i>give details</i> ]<br><br>Relevant Jurisdictions [ <i>give details</i> ]<br><br>Local Currency [ <i>give details</i> ] |
| (e) | Nationalisation:                  | [Applicable/Not Applicable]<br><br>If applicable:<br><br>Reference Entity [ <i>give details</i> ]   |

		Relevant Jurisdictions <i>[give details]</i>
	(f) Hedging Disruption:	[Applicable/Not Applicable]
	(g) Downgrade:	Applicable/Not Applicable
		If applicable:
		Downgrade Obligation [Reference Obligation/give details]
		Specified Rating <i>[give details]</i>
		Rating Agency <i>[give details]</i>
		[If more than one Downgrade Obligation, repeat in relation to each such Downgrade Obligation]
	(liii) [Additional Disruption Events:	See paragraph 39]
33.	Currency Linked Redemption Notes:	[Applicable/Not Applicable]
		(If not applicable, delete the remaining sub-paragraphs of this paragraph)
	(i) Relevant Currency(ies):	
	(ii) Final Redemption Amount:	[●]
		[Express per Calculation Amount]
	Currency Exchange Rate:	[spot currency exchange rate] [currency exchange rate] [●] expressed as the amount of [insert currency] per one [insert currency] which appears on the Screen Page
		Valuation Date: [Not Applicable/[●]]
		Averaging Date(s): [Not Applicable/[●]]
		Observation Date(s): [Not Applicable/[●]]
		Valuation Time: [●]
		Screen Page: [●] [Bloomberg Code:[●]]
		⟨Currency⟩[or]

[Reuters RIC Code: [●]]

*(Repeat as necessary where there are more than one Currency Exchange Rate or insert a table)*

- |       |  |                                   |
|-------|--|-----------------------------------|
| (iii) | Calculation Agent responsible for making calculations pursuant to Condition 6: | [●][Address of Calculation Agent] |
| (iv)  | Trade Date:  | [●]                               |
| (v)   | Additional Disruption Events:  | See paragraph 39                  |
| (vi)  | Other terms or special conditions:   | [●]                               |
34.      Commodity Linked Redemption Notes      [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- |       |  |   |
|-------|--|---|
| (i)   | Whether the Secured Notes relate to a basket of Commodities or a single Commodity and identity of the relevant commodity(ies): | [Basket of Commodities/Single Commodity]<br><br>[Give or annex details] |
| (ii)  | Final Redemption Amount:   | [Express per Calculation Amount]  |
| (iii) | [Valuation Date/Averaging Dates]:  | [●]   |
| (iv)  | Strike Date:   | [●]   |
| (v)   | Commodity:   | [●]   |
| (vi)  | Information Source:  | [●]   |
| (vii) | Commodity Reference  | [●]/[The Specified Price as published by the Price                      |

	Price:	Source]/[Commodity Reference Dealers]
(viii)	Correction of Commodity Reference Price:	[Applicable/Not Applicable]
(ix)	Price Materiality Percentage:	[[●]/Not Applicable]
(x)	Exchange:	[●]
(xi)	Futures Contract:	[●]
(xii)	Delivery Date:	[[●]/[●] Nearby Month]
(xiii)	Price Source:	[●]
(xiv)	Specified Price:	[(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 fixing; (O) the spot price; or (P) [Other – <i>please specify</i> ]
(xv)	Market Disruption Event:	[Price Source Disruption]  [Trading Disruption]  [Disappearance of Commodity Reference Price]  [Material Change in Formula]  [Material Change in Content]  [Tax Disruption]  [Other – <i>please specify</i> ]
(xvi)	Reference Dealers:	[[●]/The Calculation Agent]
(Repeat as necessary where there are more Commodities or insert a table)		
(xvii)	Calculation Agent	[●][ <i>Address of Calculation Agent</i> ]

responsible for making  
calculations pursuant to  
Condition 11:

- (xviii) Trade Date: [•]
  - (xix) Additional Disruption Events: See paragraph 39
  - (xx) Other terms or special conditions: [•]
35. Government Bond Linked Redemption Notes: [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Whether the Secured Notes relate to a basket of Government Bonds or a single Government Bond and identity of the relevant Government Bond(s) and/or related Reference Asset(s) (if any): [Basket of Government Bonds/Single Government Bond] *[Give or annex details]*
  - (ii) Final Redemption Amount: *[Insert per Calculation Amount]*
  - (iii) [Valuation Date/Averaging Dates]: [•]
  - (iv) Information Source: [•]
  - (v) Exchange: [•]
  - (vi) [Contract][specify details of related futures contract *(if any)*]: [•]

*(Repeat as necessary where there are more Government Bonds or insert a table)*

- |        |   |  |
|--------|---|--|
| (vii)  | Calculation Agent responsible for making calculations pursuant to Condition 12: | [●][ <i>Address of Calculation Agent</i> ] |
| (viii) | Trade Date:   | [●]  |
| (ix)   | Additional Disruption Events:   | See paragraph 39                           |
| (x)    | Other terms or special conditions:  | [●]  |
36. Fund Linked Redemption Notes: [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)
- |       |  |  |
|-------|--|--|
| (i)   | Whether the Secured Notes relate to a basket of Funds or a single Fund and identity of the relevant Fund(s): | [Basket of Funds/Single Fund] [ <i>Give or annex details</i> ] |
| (ii)  | Final Redemption Amount:   | [ <i>Insert per Calculation Amount</i> ]                       |
| (iii) | [Valuation Date/Averaging Dates]:  | [●]  |
| (iv)  | Information Source:  | [●]  |
| (v)   | [Replacement Fund:]  | [Applicable/Not Applicable]                                    |
| (vi)  | [Suspension Asset:]  | [Applicable/Not Applicable]                                    |
| (vii) | Effective Date:  | [●]  |
- (Repeat as necessary where there are more Funds or insert a table)*

- |        |   |                                   |
|--------|---|-----------------------------------|
| (viii) | Calculation Agent responsible for making calculations pursuant to Condition 13: | [•][Address of Calculation Agent] |
| (ix)   | Additional Disruption Events:   | See paragraph 39                  |
| (x)    | Trade Date:   | [•]                               |
| (xi)   | Other terms or special conditions:  | [•]                               |
37. Inflation Index Linked Redemption Notes:
- [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- |       |   |   |
|-------|---|---|
| (i)   | Whether the Secured Notes relate to a basket of Inflation Indices or a single Inflation Index and identity of the relevant Inflation Index/Indices: | [Basket of Inflation Indices/Single Inflation Index] <i>[Give or annex details]</i> |
| (ii)  | Final Redemption Amount:  | <i>[Insert per Calculation Amount]</i>  |
| (iii) | [Valuation Date/Averaging Dates]:   | [•]   |
| (iv)  | Information Source:   | [•]   |
| (v)   | Inflation Fixing Months:  | [•]   |
- (Repeat as necessary where there are more Inflation Indices or insert a table)*
- |      |                   |  |
|------|-------------------|--|
| (vi) | Calculation Agent |  |
|------|-------------------|--|

	responsible for making calculations pursuant to Condition 14:	[•][Address of Calculation Agent]
(vii)	Trade Date:	[•]
(viii)	Additional Disruption Events:	See paragraph 39
(ix)	Other terms or special conditions:	[•]
38.	Certificate Linked Redemption Notes:	[Applicable/Not Applicable]  <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(i)	Whether the Secured Notes relate to a basket of Certificates or a single Certificate and identity of the relevant Certificate(s):	[Basket of Certificates/Single Certificate] [Give or annex details]
(ii)	Final Redemption Amount:	<i>[Insert per Calculation Amount]</i>
(iii)	[Valuation Date/Averaging Dates]:	[•]
(iv)	Information Source:	[•]
	<i>(Repeat as necessary where there are more Certificates or insert a table)</i>	
(v)	Calculation Agent responsible for making calculations pursuant to Condition 15:	[•][Address of Calculation Agent]
(vi)	Trade Date:	[•]
(vii)	Additional Disruption	See paragraph 39

Events:

- (viii) Other terms or special conditions: [●]
39. Additional Disruption Events: [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Change in Law: [Applicable/Not Applicable]
- [(N.B. Not applicable in the case of Credit Linked Notes)]*
- (ii) Hedging Disruption: [Applicable/Not Applicable] *(Elect “Applicable” if the default provisions under the programme apply.)*
- (N.B. Not applicable in the case of Credit Linked Notes)*
- (iii) Increased Cost of Hedging [Applicable/Not Applicable]
- (N.B. Not applicable in the case of Credit Linked Notes)*
- (iv) Increased Cost of Stock Borrow [Applicable/Not Applicable]
- (N.B. Only applicable in the case of Equity Linked Notes and certain types of Index Linked Notes)*
- (v) Insolvency Filing [Applicable/Not Applicable]
- (N.B. Only applicable in the case of Equity Linked Notes [and Certificate Linked Notes])*
- (vi) Loss of Stock Borrow [Applicable/Not Applicable]
- (N.B. Only applicable in the case of Equity Linked Notes and certain types of Index Linked Notes)*
40. Benchmark Event Redemption: [Applicable/Not Applicable]

**GENERAL PROVISIONS APPLICABLE TO THE SECURED NOTES**

41. Collateral Assets [NatWest Markets Secured Funding LLP]
- Companies: [RBS Secured Funding B.V.]

- [other]
42. Custodian: [The Bank of New York Mellon, London Branch]
43. Valuation Agent: [NatWest Markets Plc]
44. Verification and Reporting Agent: [Not Applicable in respect of Euroclear Collateral Assets]  
[The Bank of New York Mellon SA/NV, Dublin Branch]
45. Collateral Account Bank: [The Bank of New York Mellon, London Branch]
46. Secured Noteholder Representative: [Applicable:  
(a) [●]; or  
(b) such replacement representative as may be appointed from time to time by the Secured Noteholders acting by way of Extraordinary Resolution]]/[Not applicable]
47. Rating Requirement: [Applicable]/[Not Applicable]  
*(NB: If Rating Requirement is specified as "Applicable", set out the Rating Requirement for each relevant Collateral Agent)*
48. [Purchase Date *Insert if other than the Issue Date of the relevant Tranche of Secured Notes and give details.*]
49. Valuation Date: [Not Applicable in respect of Euroclear Collateral Assets (in respect of Euroclear Collateral Assets, (a) any Margin Transfers and the determination of Collateral Value and Net Exposure shall be carried out by Euroclear and (b) transfers, retransfers, payments and substitutions in respect of Collateral Assets shall be made, each in accordance with the terms of the Collateral Services Agreement).]  
[Applicable in respect of Non-Euroclear Collateral Assets. The Valuation Date in respect of Non-Euroclear Collateral Assets shall be [●]/[the [[Issue Date]/[●]] and thereafter [●]].  
[On and from any Collateralisation Date the Valuation Date will be such Collateralisation Date and thereafter [each Business Day] up to but excluding any Decollateralisation Date.]

50.	Collateral Methodology:	Value	<p>[Applicable in respect of Non-Euroclear Collateral Assets. The Collateral Value Methodology in respect of Non-Euroclear Collateral Assets shall be:</p> <p>[Market Quotation]</p> <p>[Par Valuation]</p> <p>[DCF Valuation]]</p> <p>[Not Applicable in respect of Euroclear Collateral Assets (in respect of Euroclear Assets, the determination of Collateral Value shall be carried out by Euroclear in accordance with the terms of the Collateral Services Agreement]</p>
51.	Margin Maintenance:		<p>[Applicable:</p> <p>[[a)] in respect of Euroclear Collateral Assets, pursuant to the Collateral Services Agreement]; and]]</p> <p>[[b)] in respect of Non-Euroclear Collateral Assets, pursuant to the Collateral Transfer Agreement]]</p> <p>[Not Applicable]</p>
52.	Euroclear - Collateral Services Agreement:		<p>[[Applicable in respect of Euroclear Collateral Assets] [and][Not Applicable in respect of Non-Euroclear Collateral Assets]]</p> <p><b>[Collateral Services Agreement]</b> means the triparty collateral services agreement entered into between Euroclear, the Seller and the Custodian on behalf of the Collateral Assets Company on the terms of the Euroclear Collateral Service Agreement Terms and Conditions [●] version, which incorporates the Euroclear Collateral Service Agreement Operating Procedures [●] version, as amended by an amendment agreement, each dated on or about the Issue Date.]</p> <p><i>(Applicable in respect of a Euroclear Bond Collateral Series)</i></p>
53.	Collateral Assets Type:		<p>[Loans]</p> <p>[Bonds]</p> <p>[Cash]</p>

[include as applicable]

(NB: In respect of the Collateral Asset Type(s) chosen, specify either or both of the following:

[[Euroclear Collateral Assets] [and] [Non-Euroclear Collateral Assets]])

(NB: If Non-Euroclear Collateral Assets apply, specify the following:

Automatic Substitution

[Applicable]/[Not Applicable]

[On the Substitution Date (as defined below), the Seller must substitute all (or such proportion as it selects) of the Euroclear Collateral Assets (if any) with Non-Euroclear Collateral Assets in accordance with Clause 7 (*Substitution*) of the Collateral Transfer Agreement.

For these purposes the **Substitution Date** is the Business Day immediately prior to the 25th calendar day following each Purchase Date subject as provided below.

The Seller is entitled at any time prior to the Substitution Date to give notice to the relevant Collateral Assets Company (such notice, a **Substitution Deferral Notice**) specifying a later Substitution Date. In relation to an existing Substitution Date, any Substitution Deferral Notice shall have the effect that such existing Substitution Date will not occur and the Substitution Date will instead be the later date specified in the Substitution Deferral Notice (such later date, a **Deferred Substitution Date**), provided however that (i) the Deferred Substitution Date shall be no later than the Business Day immediately prior to the 25th calendar day of the immediately following calendar month and (ii) if any Deferred Substitution Date would fall after the relevant Repurchase Date, then no party shall have any obligations in relation to such Deferred Substitution Date.

For the avoidance of doubt, following any Substitution Date that has occurred the Seller may also specify further Deferred Substitution Dates, in each case subject to the above provisions.

Notwithstanding any other provision of the Transaction Documents: (i) any such deferral is permitted without the

consent of any other party; and (ii) any Substitution Deferral Notice shall be effective if sent via email to [CIBSolutionsTrading@rbs.com](mailto:CIBSolutionsTrading@rbs.com) or if provided orally.

The provisions of this paragraph [52] shall be without prejudice to the Seller's rights and obligations to substitute Collateral Assets pursuant to Clause 7 of the Collateral Transfer Agreement.

- |     |   |   |
|-----|---|---|
| 54. | Reporting Period:                             | <p>[Insert details]</p> <p>[Insert if applicable: The Secured Noteholder Reports shall be made available to Secured Noteholders [on [●]]/[on and following the [first] Collateralisation Date [up to but excluding any Decollateralisation Date. Following a Decollateralisation Date the Secured Noteholder Reports shall be made available to Secured Noteholders again on the [●] Business Day following a subsequent Collateralisation Date (if any) and thereafter on [●]].]</p> |
| 55. | Collateral Assets Report – Additional fields: | <p>[Applicable]/[Not Applicable]</p> <p>[The following additional fields will be inserted into the form of Collateral Assets Report annexed to the applicable Constituting Instrument:]</p> <p>[If applicable, insert details]</p>  |
| 56. | Secured Noteholder Reports:                   | <p>Applicable.</p> <p>See Condition 29 (<i>Secured Noteholder Reports in respect of Non-Euroclear Collateral Assets</i>).</p> <p>[In addition, the Issuer will on request, but not more frequently than monthly (subject to certain requirements), provide Issuer Secured Noteholder Reports in respect of Euroclear Collateral Assets. See Condition 30 (<i>Issuer Secured Noteholder Reports in respect of Euroclear Collateral Assets</i>).]</p> <p>[Insert details]</p>           |
| 57. | Transfer Agreements:                          | <p>Collateral Transfer Agreement</p> <p>Declaration of Trust</p>  |

[Collateral Services Agreement]

58. Additional Security Documents:

[•]

59. Collateralisation/Decollateralisation:

[Applicable] / [Not Applicable]

60. Collateralised Amount:

[The aggregate Final Redemption Amount or, for purposes only of a purchase and cancellation in part only of the Secured Notes pursuant to Condition 5(g) (Purchases), the aggregate Final Redemption Amount of all such Secured Notes being purchased and cancelled]/[specify other]

*[Add the following if Collateralisation/Decollateralisation is applicable:]*

From any Collateralisation Date up to but excluding a Decollateralisation Date, the aggregate Final Redemption Amount.

On and from a Decollateralisation Date up to but excluding the next Collateralisation Date, or, if earlier, the Scheduled Maturity Date, the Collateralised Amount will be zero.

On and from a Collateralisation Date up to but excluding the next Decollateralisation Date, if any, the Collateralised Amount will be the aggregate Final Redemption Amount.

For these purposes:

**"Collateralisation Date"** means [the Issue Date and] the [•] Business Day following the day on which a NWM Rating Event occurs and, for the avoidance of doubt, such date will occur in accordance with its terms regardless of any notification by the Issuer of a NWM Rating Event;

**"Decollateralisation Date"** means [the Issue Date and] the [•] Business Day following the day on which a NWM Rating Event is no longer in effect;

**"NWM Rating Event"** means the occurrence of any of (a) or (b) below:

(a) at least two of the following events (i), (ii) and (iii) below occurs:

[(i) the rating of the Issuer's long term, unsecured and unsubordinated debt obligations by Moody's falls

below [●];

(ii) the rating of the Issuer's long-term, unsecured and unsubordinated debt obligations by S&P falls below [●]; and

(iii) the rating of the Issuer's long-term, unsecured and unsubordinated debt obligations by Fitch falls below [●]; and

(b) the Issuer ceases to be rated by all of Moody's, S&P and Fitch]

PROVIDED ALWAYS THAT any of the events described in paragraphs (a) and (b) above occurring as a result of the relevant Ratings Agency ceasing (or announcing an intention to cease) its business for whatever reason shall not constitute a NWM Rating Event; and

**"Ratings Agency"** means any of Moody's, S&P or Fitch.

The [Secured Noteholder] shall use commercially reasonable endeavours to promptly inform each of the Parties to the Constituting Instrument of the occurrence of a NWM Rating Event.

For the avoidance of doubt, a failure on the part of the Seller to provide any required amount or asset following the occurrence of a Recollateralisation Date shall constitute an Event of Default pursuant to Clause [11(a)(iii)] of the Collateral Transfer Agreement.]

61. Valuation Percentage and  
Margin Transfer Threshold:

[[●] *per cent.* in respect of Loans.]

[[●] *per cent.* in respect of Bonds.]

[[100] *per cent.* in respect of Cash.]

[[●] *per cent.* in respect of Other Collateral Asset Type].

[Not Applicable in respect of Euroclear Collateral Assets (in respect of Euroclear Collateral Assets, the determination of Net Exposure shall be carried out by Euroclear in accordance with the terms of the Collateral Services Agreement).]

[Applicable in respect of Non-Euroclear Collateral Assets. The Valuation Percentage in respect of any Non-Euroclear Collateral Asset shall be [●] *per cent.*]

*[Further sub-categories within each Collateral Type to be inserted if relevant to the applicable Series]*

The Margin Transfer Threshold is:

In relation to the Collateral Assets Company, [●]; and

In relation to the Seller, [●] [(or such greater amount as may be agreed between the Seller and the Collateral Assets Company from time to time).]

62. New Global Note: [Yes][No]

63. Form of Secured Notes: [Global Notes:

[Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for definitive Bearer Notes on at least [60] days' notice [at any time/in the limited circumstances specified in the Permanent Global Note].]

[Temporary Global Note exchangeable for definitive Bearer Notes on and after the end of the Distribution Compliance Period.]

[Permanent Global Note exchangeable for definitive Bearer Notes on at least [60] days' notice [at any time/in the limited circumstances specified in the Permanent Global Note].]

*(N.B. The exchange upon notice at any time option should not be expressed to be applicable if the Specified Denomination of the Secured Notes in paragraph 6 includes language substantially to the following effect: "€100,000 and integral multiples of €1,000 in excess thereof up to and including €199,000." Furthermore, such Specified Denomination construction is not permitted in relation to any issue of Secured Notes which is to be represented on issue by a Temporary Global Note exchangeable for definitive Bearer Notes.)*

[Global Certificate (*nominal amount*) registered in the name of a nominee for [a common depositary for Euroclear and Clearstream, Luxembourg/[the sub-custodian for the CMU Service]/[●]]]

[CREST Notes – The Secured Notes will be issued in dematerialised and uncertificated form and cleared through CREST]

[Instalment Global Notes – see the forms annexed hereto]

64. Additional Business Centre(s): [Not Applicable/give details. Secured Note that this item is only relevant where no Additional Business Centre(s) are specified in items 15(iii), 16(iv), 18(xiii), 19(xix), 20(xxi) or 21(vii), 22(xi), 23(xii), 24(x) or 25(ix).].

[(NB: If London is required to be open please specify London as a Business Centre above)]

65. Financial Centre(s): [Not Applicable/give details]

[(NB: If London is required to be open please specify London as a Business Centre above)]

66. Talons for future Coupons or Receipts to be attached to definitive Bearer Notes (and dates on which such Talons mature): [Yes/No. If yes, give details]

67. Details relating to Partly Paid Notes: [Not Applicable/give details]

[(i)] 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:

[(ii)] Instalment Global Notes: [Not Applicable/See the forms annexed hereto]]

[(iii)] Details relating to notices: [insert details]]

68. Details relating to Instalment Notes: Instalment Amounts, Instalment Dates: [Not Applicable/give details]

69. Redenomination, [Not Applicable/The provisions annexed to this Pricing

renominalisation and reconventioning provisions:	Supplement apply]
70. Consolidation provisions:	[Not Applicable/The provisions annexed to this Pricing Supplement apply]
71. Notices to the Issuer:	<i>[Insert notice details for delivery of notices to the Issuer if specific notice details are required and Condition 23(c) applies]</i>
72. Issuer Business Centre:	[Edinburgh/London/other]  <i>(N.B. this item relates to the definition of Issuer Business Day set out in Condition 23)</i>
73. Additional U.S. federal income tax considerations	[Not applicable/give details] [The Secured Notes are [not] Section 871(m) Notes for the purpose of Section 871(m).] The [Dividend Withholding] [Issuer Withholding] approach shall apply to the Secured Notes. For further information, see "[Risk Factors – Risk Factors relating to the Notes – Risks relating to Notes generally- Payments on the Notes may be subject to U.S. withholding tax and/or Early Termination on Account of U.S. Withholding Tax]" in the Programme Document. [The following dividend equivalent amounts are to be treated as being reinvested during the term of the Secured Notes, less a withholding on such amounts at a rate of [●] per cent. (as of the Issue Date), which shall be treated for U.S. federal income tax purposes as having been withheld from payments due to the holders of the Secured Notes: [●]]. [Additional information regarding the application of Section 871(m) to the Secured Notes will be available from the Issuer. Investors should submit any requests for additional information to the Issuer via their custodians.]] <sup>2</sup>
74. Other terms:	[Not Applicable/give details]  [If, following the date of this Pricing Supplement, but before the later of (i) the Issue Date for the Secured Notes; and (ii) if applicable, the admission of the Secured Notes to the [Official List of the Irish Stock Exchange plc, now trading as Euronext Dublin ( <b>Euronext Dublin</b> ) and to trading on the Global

---

<sup>2</sup> The Secured Notes should not be Section 871(m) Notes, if they (i) do not reference any U.S. equity or any index that contains any U.S. equity, (ii) reference indices considered to be "qualified indices" for purposes of Section 871(m) or (iii) are Non-Delta-One Notes and are issued prior to 1 January 2021. Delta-One Notes and Non-Delta-One Notes issued on or after 1 January 2021 that reference a U.S. equity or index that contains any U.S. equity are subject to additional testing on a trade-by-trade basis to determine whether they are subject to U.S. federal withholding tax under Section 871(m).

Exchange Market of Euronext Dublin] / [specify] the Base Prospectus (for the purpose of this paragraph 74 the "**Original Base Prospectus**") is amended, supplemented, updated or replaced (including replacement following the expiry of the Original Base Prospectus) then the Issuer shall be entitled, without the consent of any Secured Noteholder, any prospective Secured Noteholder, the Trustee or any other person, to amend this Pricing Supplement so as to update, and/or replace this Pricing Supplement, including so that references to the Original Base Prospectus herein shall be to the Original Base Prospectus as amended, supplemented, updated or replaced (save that the terms and conditions applicable to the Secured Notes shall be the Terms and Conditions set forth in the Original Base Prospectus).]

[This Pricing Supplement supersedes and replaces that dated [ ] in relation to the Secured Notes.]

## DISTRIBUTION

75. (i) If syndicated, names [and addresses] of Managers [and underwriting commitments]: [Not Applicable/give names [and addresses and underwriting commitments]]  
*(Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and names and addresses of 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.)*
- (ii) Date of [Subscription] agreement: [•]
- (iii) Stabilising Manager(s) (if any): [Not Applicable/give names]
76. If non-syndicated, name of Dealer: [Not Applicable/give name]
77. Total commission and concession: [[•] per cent. of the Aggregate Nominal Amount ][Not Applicable]
78. Whether TEFRA D or TEFRA C rules applicable or TEFRA rules not applicable: [TEFRA D/TEFRA C/TEFRA rules not applicable]
79. Additional selling restrictions: [Not Applicable/give details]

## RESPONSIBILITY

The Issuer and each Collateral Assets Company specified herein accepts responsibility for the information contained in this Pricing Supplement. [The information relating to [●] contained herein has been accurately reproduced from [insert information source(s)]. The Issuer and each Collateral Assets Company specified herein confirms that such information has been accurately reproduced and that, so far as the Issuer is aware and is able to ascertain from information published by [●], no facts have been omitted which would render the reproduced information inaccurate or misleading].

Signed on behalf of the Issuer:

By: .....

*Duly authorised*

## OTHER INFORMATION

### 1. LISTING AND ADMISSION TO TRADING

- (i) Listing and admission to trading: [Application has been made by the Issuer (or on its behalf) to list the Secured Notes issued under the Programme on [the Official List of Euronext Dublin/specify] [and to admit them to trading on [Euronext Dublin's Global Exchange Market/ specify]]] [Not Applicable.]

*(Where documenting a fungible issue need to indicate that original Secured Notes are already admitted to trading.)*

*(Where Secured Notes linked to one or more Reference Items (including, inter alia, Certificate Linked Notes and Fund Linked Notes) are to be admitted to the Official List and to trading on Euronext Dublin's Global Exchange Market, the amounts payable under such Reference Item Linked Notes shall be calculated by reference to the prices of securities which are traded on a regulated, regularly operating, recognised open market, or by reference to the prices, levels or performance of either:*

- (1) a currency;*
- (2) an index;*
- (3) an interest rate;*
- (4) a commodity;*
- (5) a combination of the above;*
- (6) be credit linked; or*
- (7) a UCITS or an investment fund authorised by the Central Bank of Ireland or the competent authority of another EU Member State deemed equivalent by Euronext Dublin.)*

- (ii) Estimate of total expenses related to admission to trading: [●]

### 2. RATINGS

Ratings: The Secured 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)].]:

[S&P Global Ratings Europe Limited: [●]]

[Moody's Investors Service Limited: [●]]

[Fitch Ratings Limited: [●]]

[Japan Credit Rating Agency Ltd: [●]]

[[Other]: [●]]

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

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

*"Save as discussed in ["Subscription and Sale"], so far as the Issuer is aware, no person involved in the offer of the Secured Notes has an interest material to the offer."*

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

[(i) [Reasons for the offer: [●]/[An amount of funding equivalent to the net proceeds of the issue of the Notes (as at the Issue Date) will be allocated as funding for Eligible Projects.]

*(See "Use of Proceeds" wording in Base Prospectus – if reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here.)]*

(ii) Estimated net proceeds: [●]

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

(iii) Estimated total expenses: [●]

*[Include breakdown of expenses]*

### 5. YIELD (FIXED RATE NOTES ONLY)

Indication of yield: [●]

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

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

### 6. HISTORIC INTEREST RATES (FLOATING RATE NOTES ONLY)

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

**7. PERFORMANCE OF REFERENCE ITEM(S)/FORMULA/OTHER VARIABLE, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE REFERENCE ITEM(S)**

*[Need to include details of where past and future performance and volatility of the Reference Item(s)/formula/other variable can be obtained.]*

*[Need to include a clear and comprehensive explanation of how the value of the investment is affected by the Reference Item(s) and the circumstances when the risks are most evident.]*

*[Where a Reference Item 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 a Reference Item is an underlying equity, need to include details of the name of equity issuer, the identification number of the underlying equity, where pricing information about the underlying equity can be obtained].*

*[Where there is a basket of Reference Items, give details of weighting of each Reference Item within the basket.]*

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]

**8. OPERATIONAL INFORMATION**

- |        |   |  |
|--------|---|--|
| (i)    | ISIN Code:  | <input type="checkbox"/> [Not Applicable]  |
| (ii)   | Common Code:  | <input type="checkbox"/> [Not Applicable]  |
| (iii)  | CMU Code  | <input type="checkbox"/> [Not Applicable]  |
| (iv)   | Clearing System:  | [Euroclear Bank SA/NV and Clearstream Banking, S.A./Central Moneymarkets Unit Services]  |
| (v)    | Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking, S.A. and the Central Moneymarkets Unit (together with their addresses) and the relevant identification number(s): | <input type="checkbox"/> [Not Applicable]<br><input type="checkbox"/> [Euroclear UK and Ireland Limited ( <b>CREST</b> ), 33 Cannon Street, London EC4M 5SB]<br><input type="checkbox"/> [Insert identification number/code of the Secured Notes]<br><input type="checkbox"/> [Specify other name(s) and number(s) and set out any necessary terms and/or amendments to the Conditions]. |
| (vi)   | Delivery:   | Delivery [against/free of] payment   |
| (vii)  | Additional Paying Agent(s) (if any):  | <input type="checkbox"/>   |
| (viii) | Intended to be held in a  | [Yes][No]  |

manner which would  
allow Eurosystem  
eligibility:

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

[No. Whilst the designation is specified as "no" at the date of this Pricing Supplement, should the Eurosystem eligibility criteria be amended in the future such that the Secured Notes are capable of meeting them the Secured Notes may then be deposited with one of the International Central Securities Depositories (**ICSDs**) as common safekeeper [, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper] *[include this text for Registered Notes]*. Note that this does not necessarily mean that the Secured Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life.

Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

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

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

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

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

## 9. ELIGIBILITY CRITERIA AND CONCENTRATION LIMITATION CRITERIA

[Paragraph[s] (a)/(b)/(c)/(d)/(e)/(f) of the Eligibility Criteria are [Applicable/Not Applicable]]

*[Insert any additional Eligibility Criteria]*

*[Insert any Concentration Limitation Criteria]*

[The Eligibility Criteria and Concentration Limitation Criteria set out above may be amended by written agreement between the Seller and [the Secured Noteholders (acting by Extraordinary Resolution)],[the Secured Noteholder Representative] (with any such amendment being promptly notified to the other parties to the Constituting Instrument and the Secured Noteholders). **However, the Issuer does not intend to restate or republish this Pricing Supplement in such case. Accordingly, investors should contact the Issuer to ascertain whether any such notice of an amendment has been given by the Issuer in order to confirm the up-to-date Eligibility Criteria and Concentration Limitation Criteria at any relevant time.**

## **ANNEX**

***(If Physical Settlement Matrix Standard Terms is specified as applying in respect of Credit Linked Notes, insert the relevant Physical Settlement Matrix in respect of each relevant Transaction Type)***

## DESCRIPTION OF NATWEST MARKETS SECURED FUNDING LLP

### Introduction

NatWest Markets Secured Funding LLP was incorporated in England and Wales on 23 September 2011 as a limited liability partnership (registered number OC368335) with limited liability under the LLPA 2000 by NatWest Markets Plc and the Liquidation Member as its Members. The principal place of business and registered address of NatWest Markets Secured Funding LLP is at 1 Bartholomew Lane, London EC2V 2AX and its email address is directors-uk@intertrustgroup.com. NatWest Markets Secured Funding LLP has no subsidiaries.

### Principal Activities

The principal objects of NatWest Markets Secured Funding LLP are set out in the LLP Deed and include, *inter alia*, the ability to carry on the business of acquiring the applicable Collateral Assets and their Related Security and entering into the applicable Sub-Loan Agreement and other Transaction Documents pursuant to the terms of the applicable Collateral Transfer Agreement with a view to profit and to do all such things as are incidental or conducive to the carrying on of that business and to borrow money.

NatWest Markets Secured Funding LLP has not engaged since its incorporation, and will not engage whilst the Secured Notes or any Advances under any Sub-Loan Agreement remain outstanding, in any material activities other than activities incidental to its incorporation under the LLPA 2000, activities contemplated under the Transaction Documents to which it is or will be a party, complying with the Data Protection Act 2018 (including paying a data protection fee) and other matters which are incidental or ancillary to the foregoing.

### Members

The members of NatWest Markets Secured Funding LLP as at the date of this Base Prospectus are and their principal offices are:

Name	Principal Office
NatWest Markets Plc	250 Bishopsgate, London, EC2M 4AA
NatWest Markets Secured Funding (LM) Limited (the <b>Liquidation Member</b> )	1 Bartholomew Lane, London, EC2V 2AX

NatWest Markets Secured Funding LLP has no employees.

### Directors of the Members

The following table sets out the directors of the Liquidation Member and their respective business addresses and principal activities or business occupations.

Name	Business Address	Principal Activity/ Business Occupation
Intertrust Directors 1 Limited	1 Bartholomew Lane, London, EC2V 2AX	Corporate Director of Special Purpose Vehicles
Intertrust Directors 2 Limited	1 Bartholomew Lane, London, EC2V 2AX	Corporate Director of Special Purpose Vehicles
Helena Whitaker	1 Bartholomew Lane, London,	Director

Name	Business Address	Principal Activity/ Business Occupation
------	------------------	--

EC2V 2AX

The directors of Intertrust Directors 1 Limited and Intertrust Directors 2 Limited and their principal activities or business occupations are:

Name	Business address	Principal Activities/ Business Occupation
------	------------------	--

Susan Abrahams	1 Bartholomew Lane, London, EC2V 2AX	Director
----------------	---	----------

Helena Whitaker	1 Bartholomew Lane, London, EC2V 2AX	Director
-----------------	---	----------

Andrea Williams	1 Bartholomew Lane, London, EC2V 2AX	Director
-----------------	---	----------

Clive Short	1 Bartholomew Lane, London, EC2V 2AX	Director
-------------	---	----------

Michelle O'Flaherty	1 Bartholomew Lane, London, EC2V 2AX	Director
---------------------	---	----------

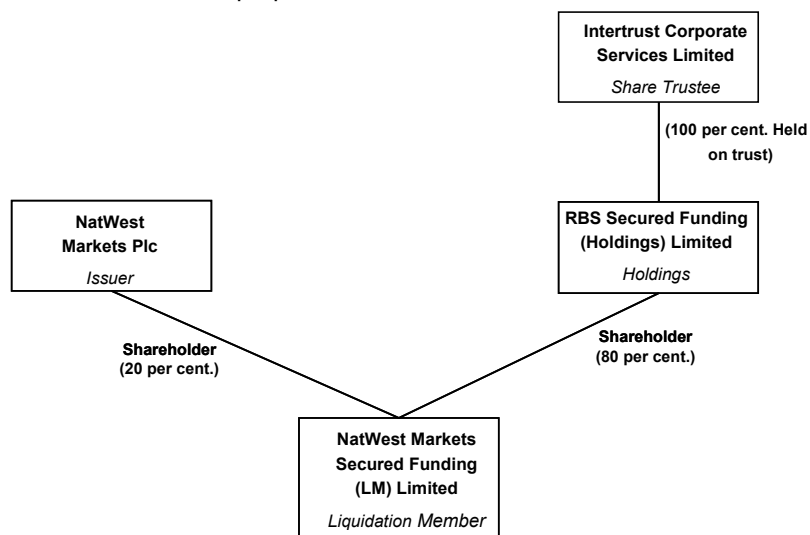
The directors of NatWest Markets Plc are set out under the section titled "Description of the Issuer – Directors and Corporate Governance" in the Programme Document.

No potential conflicts of interest exist between any duties owed to NatWest Markets Secured Funding LLP by the Directors of the Members, including Helena Whitaker, the individual directors of Intertrust Directors 1 Limited and Intertrust Directors 2 Limited and the individual directors of NatWest Markets Plc as listed above, and their private interests or other duties.

### Ownership Structure of the Liquidation Member

As at the date of this Base Prospectus, the issued share capital of the Liquidation Member is held 20 *per cent.* by the Issuer and 80 *per cent.* by RBS Secured Funding (Holdings) Limited (**Holdings**).

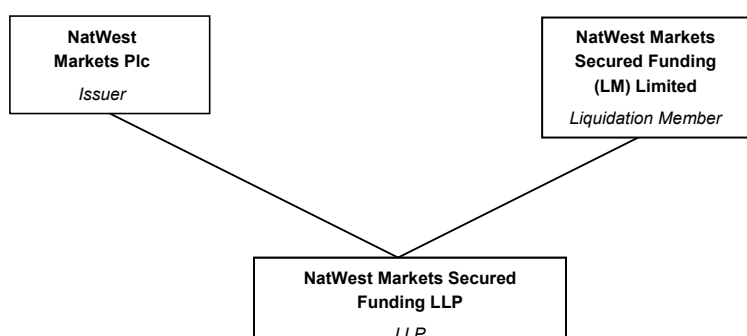
The issued capital of Holdings is held 100 *per cent.* by Intertust Corporate Services Limited as Share Trustee on trust for charitable purposes.



### Ownership Structure of the LLP

As at the date of this Base Prospectus, the Members of NatWest Markets Secured Funding LLP are the Issuer and the Liquidation Member.

Other than in respect of those decisions reserved to the Members, the Management Committee (comprised of, as at the date of this Base Prospectus, directors and/or employees of the Issuer and one representative of the Liquidation Member) will manage and conduct the business of NatWest Markets Secured Funding LLP and will have all the rights, power and authority to act at all times for and on behalf of the NatWest Markets Secured Funding LLP.



As at the date of this Base Prospectus, NatWest Markets Secured Funding LLP is controlled by NatWest Markets Plc. To ensure that such control is not abused, the Members of NatWest Markets Secured Funding LLP and NatWest Markets Secured Funding LLP, *inter alios*, have entered into the LLP Deed which governs the operation of NatWest Markets Secured Funding LLP.

In the event of the appointment of a liquidator, administrator, bank liquidator, bank administrator or investment bank administrator to NatWest Markets Plc, the Liquidation Member would take control of NatWest Markets Secured Funding LLP.

The most recent financial statements of NatWest Markets Secured Funding LLP are in respect of the year ending 31 December 2019.

Since 31 December 2019, there has been (a) no material adverse change in the prospects of NatWest Markets Secured Funding LLP and (b) no significant change in the financial or trading position of NatWest Markets Secured Funding LLP.

NatWest Markets Secured Funding LLP is not nor has it been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which NatWest Markets Secured Funding LLP is aware), which may have, or have had during the 12 months preceding the date of this Base Prospectus, a significant effect on the financial position or profitability of NatWest Markets Secured Funding LLP.

### Auditors

The auditors of NatWest Markets Secured Funding LLP are Ernst & Young of 25 Churchill Place, Canary Wharf, London E14 5EY, chartered accountants and registered auditors in the United Kingdom.

NatWest Markets Secured Funding LLP's accounting reference date is 31 December.

## DESCRIPTION OF RBS SECURED FUNDING B.V.

### Overview

RBS Secured Funding B.V. is incorporated in The Netherlands and is registered with the Trade Register of the Chamber of Commerce in Amsterdam under number 53686803. RBS Secured Funding B.V. was incorporated under the laws of The Netherlands on 5 October 2011 as a private company with limited liability, under the name "RBS Secured Funding B.V.". The address of the RBS Secured Funding B.V.'s registered office is Amsteldijk 166, 1079 LH Amsterdam, The Netherlands and the telephone number of the registered office is +3120 644 45 58.

Investors should note it is possible that RBS Secured Funding B.V. may be wound up on a solvent and voluntary basis during the course of 2021 but the timing of any such winding up has not yet been decided. Any such winding up will be subject to RBS Secured Funding B.V. not having any material liabilities outstanding at such time, including any obligations as a guarantor under any Secured Notes Guarantee(s) as described in this Base Prospectus. If there are any such outstanding liabilities or RBS Secured Funding B.V. then acts as a guarantor under any outstanding Secured Notes Guarantee(s), the winding up would not go ahead at such time. As at the date of this Base Prospectus RBS Secured Funding B.V. does not have any outstanding Secured Notes Guarantee obligations. Following the winding up of RBS Secured Funding B.V., the Issuer intends to update this Base Prospectus by means of a supplement.

### Business of the Collateral Assets Company

RBS Secured Funding B.V. is a special purpose vehicle established to act as a finance company on behalf of NatWest Markets Plc.

### Board of Directors

The Director of RBS Secured Funding B.V. is as follows:

Name	Title
Structured Finance Management (Netherlands) B.V.	Corporate Director

The business address of the above is Amsteldijk 166, 1079 LH Amsterdam, The Netherlands.

The directors of Structured Finance Management (Netherlands) B.V. and their principal activities or business occupations are:

Name	Business address	Principal Activities
Edwin Marinus van Ankeren	Amsteldijk 166, 1079 LH Amsterdam, The Netherlands	Director
Johan Antoon Broekhuis	Amsteldijk 166, 1079 LH Amsterdam, The Netherlands	Director

There are no potential conflicts of interest between the duties to RBS Secured Funding B.V. of any of the Directors listed above and their private interests and/or other duties.

### Significant or Material Change

The most recent financial statements of RBS Secured Funding B.V. are in respect of the year ending 31 December 2019.

Since 31 December 2019, there has been (a) no material adverse change in the prospects of RBS Secured Funding B.V. and (b) no significant change in the financial or trading position of RBS Secured Funding B.V.

### **Litigation**

RBS Secured Funding B.V. is not nor has it been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which RBS Secured Funding B.V. is aware), since 31 December 2019, which may have, or have had in the recent past a significant effect on the financial position or profitability of RBS Secured Funding B.V..

### **Share Capital**

The authorised share capital of RBS Secured Funding B.V. is €90,000 divided into 900 ordinary shares with a par value of €100.00 each. Its issued and fully paid up share capital is €18,000. The entire issued and paid up share capital of RBS Secured Funding B.V. is owned by Stichting RBS Secured Funding a foundation (*stichting*) established under the laws of The Netherlands having its registered office at Amsteldijk 166, 1079 LH Amsterdam, The Netherlands.

### **Financial Information**

RBS Secured Funding B.V.'s annual financial year-end date is 31 December.

### **Auditors**

The auditors of RBS Secured Funding B.V. are Deloitte Accountants B.V. of Orlyplein 10 P.O. Box 58110, 1043 DP, Amsterdam, The Netherlands which are members of the Koninklijk Nederlands Instituut van Registeraccountants (NIVRA) which is a member of the International Federation of Accountants.

## GENERAL INFORMATION

### Authorisation

The establishment of the Programme and the issue of Secured Notes under the Programme have been duly authorised by resolutions of the Asset and Liability Management Committee with authority from the Board of Directors of the Issuer dated 30 March 2021.

### No Significant Change and No Material Adverse Change

There has been no significant change in the financial position of the NWM Group taken as a whole since 31 December 2020.

Save as disclosed in the sections entitled (a) "*Risks relating to the COVID-19 pandemic*" on pages 156 to 157 of the 2020 Annual Report and Accounts of NWM Group and (b) "*Risk and capital management – Credit risk*" on pages 53 to 70 of the 2020 Annual Report and Accounts of NWM Group, there has been no material adverse change in the prospects of NWM since 31 December 2020.

### Litigation and Investigations

Other than as referred to in the section entitled "Description of the Issuer – Legal Proceedings" in the Programme Document as may be supplemented, there are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which NWM is aware), which may have or have had during the 12 months preceding the date of the Base Prospectus, a significant effect on the financial position or profitability of NWM and/or the NWM Group.

### Listing

Application will be made to Euronext Dublin for Secured Notes issued under the Programme within 12 months of this Base Prospectus to be admitted to the Official List and to trading on its Global Exchange Market. The approval of the Programme in respect of Secured Notes is expected to be granted on or about 30 March 2021.

It is expected that each Tranche of Secured Notes which is to be admitted to the Official List and to trading on the Global Exchange Market will be admitted separately as and when issued upon submission to Euronext Dublin of the applicable Pricing Supplement and any other information required by Euronext Dublin or any other relevant authority, subject only to the issue of a Global Note or Notes initially representing the Secured Notes of such Tranche.

### Registered Office of the Issuer

The registered office of the Issuer is 36 St Andrew Square, Edinburgh, EH2 2YB and the telephone number of the registered office is +44 (0) 131 556 8555.

### Auditors and Financial Statements

The consolidated financial statements of NWM for the years ended 31 December 2020 and 31 December 2019 have been audited by Ernst & Young LLP (**EY**) (authorised and regulated by the Financial Conduct Authority (**FCA**) for designated investment business), whose address is 25 Churchill Place, Canary Wharf, London E14 5EY. EY is registered with and authorised for regulated activities by the Institute of Chartered Accountants of England and Wales (the **ICAEW**) and all partners of EY have a practising certificate with the ICAEW.

The financial information incorporated by reference in this Base Prospectus in relation to NWM does not constitute the NWM's statutory accounts within the meaning of Section 434 of the Companies Act 2006.

Statutory accounts for the years ended 31 December 2020 and 31 December 2019 to which the financial information in this Base Prospectus relates are delivered to the Registrar of Companies in Scotland.

EY has reported on such statutory accounts for the years ended 31 December 2020 and 31 December 2019, and the report in respect of such years was unqualified and did not contain a statement under Section 498(2) or (3) of the Companies Act 2006.

NWM does not produce unconsolidated financial statements.

### **Documents Available**

For so long as there are Secured Notes outstanding, copies of the following documents will, when published, be available (a) in physical form for inspection during normal business hours at the registered office of the Issuer and, provided that the Issuer makes such documents available to each Paying Agent, at the specified offices of each of the Paying Agents for the time being or (b) electronically to a Secured Noteholder provided such Secured Noteholder produces evidence satisfactory to the Issuer or the Paying Agent as to its holding of Secured Notes and identity:

- (i) the constitutional documents of the Issuer and each Collateral Assets Company;
- (ii) the documents set out in the section of this Base Prospectus entitled "Documents Incorporated by Reference";
- (iii) the most recently published audited annual financial statements of the Issuer and each Collateral Assets Company and the most recently published unaudited interim financial statements (if any) of the Issuer and each Collateral Assets Company, in each case together with any audit or review reports prepared in connection therewith;
- (iv) the Constituting Instrument relating to any series of Listed Secured Notes (and the documents incorporated therein, including, *inter alia*, the Security and Guarantee Terms Module, the Collateral Transfer Terms Module, the Declaration of Trust Terms Module and the Collateral Agency Terms Module);
- (v) the Programme Transaction Documents, which shall include the Trust Deed, the Agency Agreement (which, for the avoidance of doubt, shall not be available for inspection at the specified office of the Registrar in respect of Registered Secured Notes cleared through CREST) and the Registry Services Agreement;
- (vi) the form of transfer in respect of Registered Notes (other than Registered Notes cleared through CREST);
- (vii) in the case of each issue of Listed Secured Notes subscribed pursuant to a Purchase Agreement, the Purchase Agreement (or equivalent document);
- (viii) the current Base Prospectus in respect of the Programme and any future supplements thereto;
- (ix) any Pricing Supplement issued in respect of Listed Secured Notes issued since the most recent base prospectus was published;
- (x) each Secured Noteholder Report published by the Verification and Reporting Agent in relation to Collateral Assets in respect of each Series of Listed Secured Notes; and
- (xi) any other future documents and/or announcements issued by the Issuer.

In addition, copies of the Registry Services Agreement will be made available for inspection during normal business hours at the registered office of the Registrar in respect of Registered Secured Notes cleared through CREST.

## **Clearing Systems**

The applicable Pricing Supplement will specify through which clearing system(s) a Tranche of Secured Notes may be cleared. Bearer Secured Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg and Registered Secured Notes have been accepted for clearance through Euroclear, Clearstream, Luxembourg and CREST (which are the entities in charge of keeping the records) as specified in the applicable Pricing Supplement. The Common Code, the International Securities Identification Number (ISIN), the CMU Code and (where applicable) the identification number for any other relevant Clearing System for each Series of Secured Notes will be set out in the applicable Pricing Supplement. If the Secured Notes are to be cleared through an additional or alternative clearing system, the appropriate information will be contained in the applicable Pricing Supplement.

The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels and the address of Clearstream, Luxembourg is Clearstream Banking, 42 Avenue JF Kennedy, L-1855 Luxembourg.

The address of CREST is Euroclear UK and Ireland Limited 33 Cannon Street, London EC4M 5SB.

## **Conditions for determining price**

The issue price and amount of Secured Notes to be issued under the Programme will be determined at the time of issue in accordance with then prevailing market conditions.

## **Post-issuance information**

Unless otherwise specified in the applicable Pricing Supplement and other than the publication of Secured Noteholder Reports in respect of Collateral Assets by the Verification and Reporting Agent on behalf of the Issuer and, if specified in the applicable Pricing Supplement, the provision of Issuer Secured Noteholder Reports in respect of Euroclear Collateral Assets by the Issuer and as referred to above, the Issuer does not intend to provide any post-issuance information in relation to any issues of Secured Notes.

## **Listing Agent Statement**

A&L Listing Limited is acting solely in its capacity as listing agent for the Issuer in relation to the Secured Notes and is not itself seeking admission of the Secured Notes to the Official List of Euronext Dublin or to trading on its Global Exchange Market.

## **Notices**

All notices to Secured Noteholders shall be deemed to be duly given if they are published by the Company Announcements Office of Euronext Dublin.

## **Websites**

Any websites referred to herein do not form part of this Base Prospectus.

## **Legal Entity Identifier**

The Legal Entity Identifier (LEI) code of the Issuer is RR3QWICWWIPCS8A4S074.

## THE ISSUER

### *Registered Office*

#### **NatWest Markets Plc**

36 St Andrew Square  
Edinburgh EH2 2YB  
Scotland

### *Principal Office*

#### **NatWest Markets Plc**

RBS Gogarburn  
PO Box 1000  
Edinburgh EH2 2YB  
Scotland

## THE COLLATERAL ASSETS COMPANIES

#### **NatWest Markets Secured Funding LLP**

1 Bartholomew Lane  
London, EC2V 2AX  
England

#### **RBS Secured Funding B.V.**

Amsteldijk 166  
1079 LH Amsterdam  
The Netherlands

### **THE TRUSTEE**

#### **The Law Debenture Trust Corporation p.l.c.**

8th Floor 100 Bishopsgate  
London EC2N 4AG  
England

### **DEALER AND ARRANGER**

#### **NatWest Markets Plc**

250 Bishopsgate  
London EC2M 4AA  
England

### **COLLATERAL AGENT, COLLATERAL ACCOUNT BANK AND CUSTODIAN**

#### **The Bank of New York Mellon, London Branch**

Corporate Trust Services  
40th Floor One Canada Square  
London E14 5AL  
England

### **PAYING AGENT**

#### **The Bank of New York Mellon SA/NV, Luxembourg Branch**

Vertigo Building – Polaris  
2-4 rue Eugene Ruppert  
L-2453 Luxembourg

### **REGISTRAR**

(for Registered Notes other than those cleared  
through CREST)

#### **The Bank of New York Mellon SA/NV, Luxembourg Branch**

Vertigo Building – Polaris  
2-4 rue Eugene Ruppert  
L-2453 Luxembourg

### **REGISTRAR**

(for Registered Notes cleared through CREST)

#### **Computershare Investor Services PLC**

The Pavilions, Bridgwater Road  
Bristol BS13 8AE  
England

### **VALUATION AGENT**

#### **NatWest Markets Plc**

36 St Andrew Square  
Edinburgh EH2 2YB  
Scotland

### **VERIFICATION AND REPORTING AGENT**

#### **The Bank of New York Mellon SA/NV, Dublin Branch**

Riverside II, Sir John Rogerson's Quay  
Dublin 2, D02 KV60

### **LEGAL ADVISORS TO THE ARRANGER**

*in respect of English and US  
law:*

#### **Allen & Overy LLP**

One Bishops Square  
London E1 6AD  
United Kingdom

### **LEGAL ADVISORS TO THE TRUSTEE, THE COLLATERAL ACCOUNT BANK, THE CUSTODIAN AND THE VERIFICATION AND REPORTING AGENT**

*in respect of English law:*

#### **Allen & Overy LLP**

One Bishops Square  
London E1 6AD  
United Kingdom

### **LEGAL ADVISORS TO THE ARRANGER**

*in respect of Dutch law:*

#### **Allen & Overy B.V.**

Barbara Strozziilaan 101  
1083 HN Amsterdam  
The Netherlands

### **LISTING AGENT**

A&L Listing Limited  
25-26 North Wall Quay  
IFSC  
Dublin 1  
Ireland

### **AUDITORS**

*To the Issuer*  
Ernst & Young  
25 Churchill Place  
Canary Wharf  
London E14 5EY  
United Kingdom

Printed by  
Allen & Overy LLP