
PROGRAMME MEMORANDUM

ARLO II LIMITED

(incorporated with limited liability in the Cayman Islands)

ARLO XII LIMITED

(incorporated with limited liability in the Cayman Islands)

ARLO XIV LIMITED

(incorporated with limited liability in the Cayman Islands)

Programmes for the issue of Notes and the making of Alternative Investments

Each of the companies whose names appear above (each "**an Issuer**") has established a programme (each, a "**Programme**") pursuant to which it may issue notes ("**Notes**") and may raise finance by other means, including, without limitation, by way of loan or other financial instrument (including swap and derivative transactions) ("**Alternative Investments**") on the terms set out herein. Subject as set out herein, the maximum aggregate principal amount of all Notes or Alternative Investments from time to time issued by each Issuer under its Programme will not exceed U.S.\$5,000,000,000 or its equivalent in other currencies at the time of the agreement to issue (the "**Programme Limit**"), provided that an Issuer may increase such amount in relation to its Programme as described below. In relation to each Programme, this document constitutes a "**Programme Memorandum**". Under each Programme, Notes will be issued and Alternative Investments will be entered into in series (each, a "**Series**"). Notes will have the terms and conditions set forth herein, as modified by a series memorandum for such Series (each, a "**Series Memorandum**"). Alternative Investments will have the terms and conditions set forth in an Alternative Memorandum (an "**Alternative Memorandum**") or in the Constituting Instrument relating to such Alternative Investments. The terms and conditions for a Series set out in a Series Memorandum or an Alternative Memorandum will prevail in the event of any conflict with the terms and conditions set out herein. Capitalised terms used in this Programme Memorandum will have the meanings ascribed to them herein.

References herein to the "Issuer" are references to the relevant Issuer in respect of information in this Programme Memorandum relating to such Issuer and to the extent of the Notes issued by it and such references specifically exclude any other Issuer.

Each Series will constitute limited recourse obligations of the relevant Issuer, payable solely from the Collateral in respect of such Series. The Collateral in respect of a Series will consist of the Charged Assets and/or the Charged Agreements specified in the Series Memorandum or Alternative Memorandum for such Series, together with the rights and entitlements described in Condition 4. If the net proceeds of the enforcement of the Collateral for a Series are not sufficient to make all payments due in respect of the Notes or Alternative Investments of that Series (after payment of all obligations senior thereto), no other assets of the relevant Issuer will be available to meet such shortfall, and the claims of Noteholders or parties to Alternative Investments and any Swap Counterparty in respect of such Series and such shortfall shall be extinguished. None of such persons will be able to petition for the winding-up of the relevant Issuer as a consequence of any such shortfall or otherwise.

The Collateral for a Series also will secure the Issuer's obligations to the Swap Counterparty, if any, in respect of such Series, unless otherwise specified in the Series Memorandum or Alternative Memorandum for such Series. Barclays Bank PLC will be the Swap Counterparty under any Charged Agreement, unless another entity is specified in the Series Memorandum or Alternative Memorandum for such Series.

In addition to the Collateral, the Series Memorandum for a Series will specify the aggregate principal amount, interest, if any, issue price, issue date, maturity date, priority of payments from and claims against the Collateral and any other terms and conditions not contained herein which are applicable to such Series.

An Issuer may issue Further Notes on the same terms as existing Notes and such Further Notes shall be consolidated and form a single series with such existing Notes in accordance with Condition 16.

The Programme Memorandum has been approved by the Irish Stock Exchange plc trading as Euronext Dublin ("**Euronext Dublin**") as Base Listing Particulars (the "**Base Listing Particulars**"). Application has been made to Euronext Dublin for certain Notes issued by each Issuer under its Programme for a period of 12 months from the date of this Programme Memorandum to be admitted to the Official List (the "**Official List**") of Euronext Dublin and to trading on the Global Exchange Market of Euronext Dublin (the "**GEM**") which is the exchange regulated market of Euronext Dublin. No assurance can be given that such an application to admit Notes to the Official List and to trading on the GEM will be successful. The GEM is not considered a regulated market for the purposes of Regulation (EU) 2017/1129 (the "**Prospectus Regulation**") or Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments (as amended, "**MiFID II**").

Notes to be admitted to the Official List of Euronext Dublin and to trading on the GEM may be issued under the Programme on the terms set out in Series Listing Particulars ("**Series Listing Particulars**") that incorporate by reference the whole or any part of these Base Listing Particulars. These Base Listing Particulars do not constitute a prospectus for the purposes of the Prospectus Regulation.

Notes may be listed and admitted to trading on such other regulated markets or further stock exchanges as may be agreed between the relevant Issuer and the relevant Dealers, and may also be unlisted. The relevant Series Memorandum in respect of the issue of the Notes of each Series will specify whether or not an application has been made or will be made for such Notes to

be listed on Euronext Dublin and to be admitted to trading on the GEM or such other regulated market(s) as specified in the relevant Series Memorandum in relation to the Notes.

Series of Notes may be rated by Standard & Poor's Credit Market Services Europe Limited ("**S&P**") and/or Moody's Investors Service Ltd. ("**Moody's**") and/or Fitch Ratings Limited ("**Fitch**") and/or other rating agencies specified in the Series Memorandum or they may be unrated. Each of S&P, Moody's and Fitch is established in the European Union, registered under Regulation (EC) No 1060/2009, as amended (the "**CRA Regulation**") and included in the list of registered credit rating agencies published by the European Securities and Markets Authority on its website (www.esma.europa.eu) in accordance with CRA Regulation. A security rating of any Notes is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating agency.

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

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

The attention of investors is drawn to "Risk Factors" on page 18 and "Investor Suitability" on page 42.

Arranger
Barclays Bank PLC

The date of this Programme Memorandum is 18 February 2021.

Notes may be issued in bearer form initially represented by a Temporary Global Note, by a Permanent Global Note or by definitive Notes, or in registered form represented by definitive registered certificates and/or a registered certificate in global form. Notes in bearer form will be subject to United States tax law requirements. "Overview of the Programme - Form of Notes" contains further details relating to the form of Notes which may be issued under each Issuer's Programme and, in the case of a non-U.S. Series or Tranche of Notes, the exchange of interests in a Temporary Global Note for interests in a Permanent Global Note and the exchange of interests in a global Note for definitive Notes. "Subscription and Sale" contains further details relating to the selling and transfer restrictions applicable to Notes.

The form of any Alternative Investments may be by way of loan or other financial instrument (including swap and derivative transactions) and will be as specified in the relevant Alternative Memorandum.

THIS PROGRAMME MEMORANDUM, TOGETHER WITH THE SERIES MEMORANDUM FOR EACH SERIES, SUPERSEDES ANY PRIOR AGREEMENT, INFORMATION, OR UNDERSTANDING, WRITTEN OR ORAL, RELATING TO SUCH SERIES, AND INVESTORS MUST RELY SOLELY ON THIS PROGRAMME MEMORANDUM, AND THE SERIES MEMORANDUM IN MAKING AN INVESTMENT DECISION AND NOT ON ANY SUCH PRIOR AGREEMENT, INFORMATION OR UNDERSTANDING.

THE NOTES OF A NON-U.S. SERIES UNDER ANY PROGRAMME HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**") OR ANY STATE SECURITIES LAWS AND THE RELEVANT ISSUER IS NOT AND WILL NOT BE REGISTERED UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "**1940 ACT**").

NOTES OF A NON-U.S. SERIES MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, (I) U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT), (II) U.S. PERSONS (AS DEFINED IN THE FINAL RISK RETENTION RULES PROMULGATED UNDER SECTION 15G OF THE U.S. SECURITIES EXCHANGE ACT OF 1934, AS AMENDED (THE "**EXCHANGE ACT**") OR (III) A PERSON WHO COMES WITHIN ANY DEFINITION OF U.S. PERSON FOR THE PURPOSES OF THE U.S. COMMODITY EXCHANGE ACT OF 1936, AS AMENDED (THE "**CEA**"), OR ANY RULE, GUIDANCE OR ORDER PROPOSED OR ISSUED BY THE U.S. COMMODITY FUTURES TRADING COMMISSION (THE "**CFTC**") THEREUNDER (INCLUDING BUT NOT LIMITED TO ANY PERSON WHO IS NOT A "NON-UNITED STATES PERSON" UNDER CFTC RULE 4.7(A)(1)(IV) AND ALSO INCLUDING BUT NOT LIMITED TO A "U.S. PERSON" AS DESCRIBED IN AND FOR THE PURPOSES OF THE CFTC'S INTERPRETIVE GUIDANCE AND POLICY STATEMENT REGARDING COMPLIANCE WITH CERTAIN SWAP REGULATIONS, 78 FED REG. 45292 (JULY 26, 2013) AS AMENDED FROM TIME TO TIME.

UNLESS OTHERWISE SPECIFIED IN THE APPLICABLE SERIES MEMORANDUM, NO ISSUER WILL ISSUE NOTES OF A U.S. SERIES OR U.S. TRANCHE. THE APPLICABLE U.S. TRANSFER RESTRICTIONS FOR ANY U.S. SERIES WILL BE SET FORTH IN THE APPLICABLE SERIES MEMORANDUM FOR SUCH U.S. SERIES.

Unless otherwise specified in the related Series Memorandum, each purchaser or holder of Notes will be deemed to represent that it is not, and for so long as it holds any Notes will not be, an employee benefit plan subject to the fiduciary responsibility provisions of the U.S. Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), a plan subject to Section 4975 of the United States Internal Revenue Code of 1986, as amended (the "**Code**"), a person or entity whose assets include the assets of any such employee benefit plan or plan by reason of 29 C.F.R. Section 2510.3-101 or otherwise, or any other employee benefit plan without regard to the federal, state, local or foreign law pursuant to which the plan is organised or administered, and such purchaser or holder is not using the assets of any such plan to acquire the Notes.

Each Series issued under a Programme may be rated by S&P, Moody's, Fitch and/or such other rating agency specified in a Series Memorandum in respect of such Series (each, a "**Rating Agency**" and

collectively, the "**Rating Agencies**"). The relevant Series Memorandum will state whether or not a Series of Notes is, or is anticipated to be, rated by any Rating Agency.

THE NOTES AND ALTERNATIVE INVESTMENTS WILL BE OBLIGATIONS SOLELY OF THE RELEVANT ISSUER AND WILL NOT BE GUARANTEED BY, OR BE THE RESPONSIBILITY OF, ANY OTHER ENTITY. THE NOTES AND ANY OBLIGATIONS OF THE ISSUER PURSUANT TO ALTERNATIVE INVESTMENTS CONSTITUTE SECURED LIMITED RECOURSE OBLIGATIONS OF THE RELEVANT ISSUER, AND CLAIMS AGAINST AN ISSUER BY NOTEHOLDERS, PARTIES TO ALTERNATIVE INVESTMENTS AND ANY SWAP COUNTERPARTY IN RESPECT OF A SERIES, WILL BE LIMITED TO THE COLLATERAL FOR SUCH SERIES. THE PRIORITY OF PAYMENTS TO AND CLAIMS OF SUCH PERSONS ARE SET OUT IN CONDITION 4, AS SUPPLEMENTED BY THE RELEVANT SERIES MEMORANDUM OR ALTERNATIVE MEMORANDUM. IF THE NET PROCEEDS OF ENFORCEMENT OF THE COLLATERAL FOR A SERIES ARE NOT SUFFICIENT TO MAKE ALL PAYMENTS DUE IN RESPECT OF THE NOTES OR ALTERNATIVE INVESTMENTS OF THAT SERIES (AFTER PAYMENT OF ALL OBLIGATIONS OF THE ISSUER SENIOR THERETO), NO OTHER ASSETS OF THE RELEVANT ISSUER WILL BE AVAILABLE TO MEET SUCH SHORTFALL AND THE CLAIMS OF NOTEHOLDERS OR PARTIES TO ALTERNATIVE INVESTMENTS AND ANY SWAP COUNTERPARTY IN RESPECT OF ANY SUCH SHORTFALL SHALL BE EXTINGUISHED. NONE OF SUCH PERSONS WILL BE ABLE TO PETITION FOR THE WINDING-UP OF THE RELEVANT ISSUER AS A CONSEQUENCE OF ANY SUCH SHORTFALL OR OTHERWISE.

Any investment in the Notes does not have the status of a bank deposit and is not within the scope of the deposit protection scheme operated by the Central Bank of Ireland.

Each Issuer accepts responsibility for the information contained in this Programme Memorandum relating to its Programme and to it. To the best of the knowledge and belief of each Issuer (which has taken all reasonable care to ensure that this is the case), the information contained in this Programme Memorandum relating to its Programme and to it is in accordance with the facts and does not omit anything likely to affect the import of such information. The delivery of this Programme Memorandum at any time does not imply any information contained herein or therein is correct at any time subsequent to the date hereof or thereof.

No person has been authorised to give any information or to make any representation other than those contained in this Programme Memorandum and/or in the relevant Series Memorandum or Alternative Memorandum in connection with the issue or sale of Notes and the making of Alternative Investments and, if given or made, such information or representation must not be relied upon as having been authorised by the relevant Issuer, the Arranger or any other person.

None of the Arranger, the Swap Counterparty, the Determination Agent, the Realisation Agent, Barclays Bank PLC (in any other capacity in which it acts under any Programme), the Administrator, the Trustee, the Share Trustee, any Dealer, or any Agent (each as defined herein and together, in relation to a Programme, the "**Programme Parties**") has separately verified the information contained herein or in any Series Memorandum and accordingly none of the Programme Parties makes any representation, recommendation or warranty, express or implied, regarding the accuracy, adequacy, reasonableness or completeness of the information contained herein or therein or in any further information, notice or other document which may at any time be supplied in connection with Notes and/or Alternative Investments or their distribution and none of them accepts any responsibility or liability therefor. None of the Programme Parties undertakes to review the financial condition or affairs of any Issuer during the life of the arrangements contemplated by this Programme Memorandum or to advise any investor or potential investor in Notes or any party to any Alternative Investments of any information coming to the attention of any of such Programme Parties.

This Programme Memorandum does not constitute an offer of, or an invitation by or on behalf of the Issuer, the Arranger or any other person to subscribe for, or purchase, any Notes, or to enter into any Alternative Investments.

The distribution of this Programme Memorandum and each Series Memorandum or Alternative Memorandum and the offering or sale of Notes or the entering into of Alternative Investments in certain jurisdictions may be restricted by law. Persons into whose possession this Programme Memorandum and any such Series Memorandum or Alternative Memorandum come are required by the relevant Issuer, the Trustee and the Arranger to inform themselves about and to observe any such restriction.

The language of this Programme Memorandum is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

In this Programme Memorandum, unless otherwise specified or the context otherwise requires, references to "**dollars**", "**U.S. dollars**", "**USD**" and "**U.S.\$**" are to United States dollars, references to "**euro**", "**EUR**" and "**€**" are to the currency of the member states of the European Union that adopt or have adopted the single currency in accordance with the Treaty establishing the European Community as amended by the Treaty of European Union and references to "**pounds sterling**" and "**£**" are to the lawful currency of the United Kingdom.

In connection with the issue of any Series of Notes the Arranger (if any) disclosed as a stabilising agent in the relevant Series Memorandum or such other person or persons who may be specified in the applicable Series Memorandum as a stabilising agent (the "**Stabilising Agent**") (or persons acting on behalf of the Stabilising Agent) may over-allot Notes or effect transactions with a view to supporting the market price of the relevant Series of Notes at a level higher than which might otherwise prevail. However, there is no assurance that the Stabilising Agent (or any persons acting on behalf of the Stabilising Agent) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of such Series of Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the Issue Date of such Series of Notes and 60 days after the date of the allotment of the Notes. Any stabilisation action or over-allotment must be conducted by the Stabilising Agent (or any persons acting on behalf of the Stabilising Agent) in accordance with applicable laws and rules.

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OVERVIEW OF THE PROGRAMME

The following is a summary of each Issuer's Programme and is qualified in its entirety by the remainder of this Programme Memorandum and, in relation to each Series of Notes, the Series Memorandum relating to such Series. Words and expressions defined or used in the provisions appearing under the heading "Terms and Conditions of the Notes" in this Programme Memorandum shall have the same meaning herein. The terms and conditions of, form of and security for any Alternative Investments are not described herein but will be set out in the relevant Alternative Memorandum (if any) in relation thereto.

Issuer:	The Issuer which is specified in the relevant Series Memorandum. References herein to "the Issuer" are references to the relevant Issuer in respect of (and only to the extent of) the Notes issued by it and such references specifically exclude any other Issuer.
Description of Programme:	Limited recourse Programme for the issue of Notes and making of Alternative Investments.
Size:	In relation to each Issuer, the Programme Limit, subject to increase as provided in the relevant Master Placing Terms.
Programme Limit:	U.S.\$5,000,000,000 or its equivalent in other currencies at the time of the agreement to issue.
Arranger:	Barclays Bank PLC or as otherwise specified in the relevant Series Memorandum.
Security:	Unless otherwise specified in the relevant Series Memorandum, the Notes of each Series issued under the Programme will be secured in the manner set out in Condition 4 under "Terms and Conditions of the Notes" of this Programme Memorandum including by way of (i) a first fixed charge on, and/or an assignment by way of security of and/or other security interest over, the relevant Charged Assets (as more particularly described below) and on all rights and sums derived therefrom, (ii) an assignment by way of security of the Issuer's rights against the Custodian under the relevant Custody Agreement (as defined herein) and all sums derived therefrom and a first fixed charge on all funds in respect of the Charged Assets relating to such Series held from time to time by the Custodian, (iii) a first fixed charge on all funds held from time to time by the Principal Paying Agent or, as the case may be, the Registrar (each as defined below) to meet payments due under the Notes of such Series, (iv) an assignment by way of security of the Issuer's rights, title and interest under the relevant Agency Agreement, and (v) an assignment by way of security of the

Issuer's rights, title and interest against the Arranger and each Dealer under the relevant Placing Agreement and against the seller of the Charged Assets under the relevant Charged Assets Sale Agreement (the "**Seller**") and all sums derived therefrom in respect of the Notes of such Series, and may also be secured by an assignment by way of security of the Issuer's rights under any Charged Agreement (as more particularly described below), together with such additional security (if any) as may be described in the applicable Series Memorandum.

If it is so specified in the relevant Series Memorandum, the obligations of the Issuer to any Swap Counterparty under any Charged Agreement, any Custodian under any Custody Agreement and any Principal Paying Agent and any Registrar under any Agency Agreement will also be secured by certain assets comprised in the Collateral. The relative priority of claims of Noteholders and each relevant Swap Counterparty and each other secured party upon enforcement are set forth in Condition 4(d), unless otherwise provided for in the applicable Constituting Instrument.

If it is so specified in the description of the Issuer herein, the obligations of the Issuer in relation to all Series of Notes the Trustee in respect of which is BNY Mellon Corporate Trustee Services Limited will be secured by way of a floating charge.

Issuer Expenses:

The fees, costs and expenses payable by or on behalf of the Issuer in respect of the issuance of Notes and Alternative Investments from time to time under the Programme shall be paid by the Arranger pursuant to the terms of the expenses letter entered into between the Issuer, the Trustee and the Arranger (the "**Programme Expenses Letter**") and the fees, costs and expenses of the Issuer in respect of any Series of Notes, to the extent that the Arranger will not have already agreed to pay such costs and expenses pursuant to the Programme Expenses Letter, shall be paid by the Arranger pursuant to an expenses letter in respect of the relevant Series between the Issuer, the Trustee and the Arranger (the "**Series Expenses Letter**").

Trustee:

BNY Mellon Corporate Trustee Services Limited or as otherwise specified in the

relevant Series Memorandum.

The Issuer has the power of appointing a new Trustee in respect of a Series of Notes but no person shall be appointed who has not previously been approved by an extraordinary resolution of the Noteholders of such Series and each Swap Counterparty (if any) in respect of such Series has consented in writing and, in the case of a Series of Notes which is rated at the request of the Issuer, each Rating Agency which assigned a rating to such Notes. A Trustee may retire upon giving not less than 60 days' notice in writing to the Issuer without assigning any reason and without being responsible for any costs associated with such retirement. Noteholders may remove the Trustee by extraordinary resolution provided that the retirement or removal of any sole Trustee or sole trust corporation shall not become effective until a trust corporation is appointed as successor Trustee.

Issue Agent and Principal Paying Agent:

The Bank of New York Mellon, London Branch or as otherwise specified in the relevant Series Memorandum.

Registrar:

The Bank of New York Mellon SA/NV, Luxembourg Branch or as otherwise specified in the relevant Series Memorandum.

Custodian:

The Bank of New York Mellon, London Branch or as otherwise specified in the relevant Series Memorandum.

Realisation Agent:

Barclays Bank PLC or as otherwise specified in the relevant Series Memorandum, if applicable.

Method of Issue:

The Notes will be issued on a syndicated or non-syndicated basis and will be in Series. The Notes in each Series will have one or more issue dates and be on terms otherwise identical (or identical other than in respect of the first payment of interest) and will be intended to be interchangeable with all other Notes of that Series.

Issue Price:

Notes may be issued at their principal amount or at a discount or premium to their principal amount as specified in the relevant Series Memorandum. Partly-paid Notes may be issued, the issue price of which will be payable in two or more instalments as specified in the relevant Series Memorandum.

Form of Notes:

The following applies only to Notes of a non-U.S. Series/non-U.S. Tranche: If the Constituting Instrument in respect of a Series of Notes specifies that such Series (a "**non-U.S. Series**") or a Tranche thereof (a "**non-U.S. Tranche**") may not be offered, sold or delivered within the United States or to, or for the account or benefit of, (I) U.S. Persons (as defined in Regulation S under the Securities Act), (II) U.S. persons (as defined in the final risk retention rules promulgated under Section 15G of the Exchange Act or (III) a person who comes within any definition of U.S. person for the purposes of the CEA, or any rule, guidance or order proposed or issued by the CFTC thereunder (including but not limited to any person who is not a "Non-United States person" under CFTC Rule 4.7(a)(1)(iv) and also including but not limited to a "U.S. Person" as described in and for the purposes of the CFTC's Interpretive Guidance and Policy Statement Regarding Compliance with Certain Swap Regulations, 78 Fed Reg. 45292 (July 26, 2013) as amended from time to time (any persons fall under any of (I) to (III) above, ("**U.S. Persons**")) such non-U.S. Series or non-U.S. Tranche may comprise Notes in bearer form ("**Bearer Notes**"), in bearer form exchangeable for Registered Notes ("**Exchangeable Bearer Notes**") or in registered form ("**Registered Notes**") only. Unless otherwise specified in the applicable Constituting Instrument, Bearer Notes and Exchangeable Bearer Notes of a non-U.S. Series or a non-U.S. Tranche will be issued pursuant to Section 1.163-5(c)(2)(i)(D) of the Treasury Regulations under the Code ("**D Notes**"). Unless the context otherwise requires, references herein to Bearer Notes shall include Exchangeable Bearer Notes.

Each non-U.S. Series or non-U.S. Tranche of Bearer Notes and Exchangeable Bearer Notes which are D Notes will initially be represented by one or more Notes in temporary global form (each a "**Temporary Global Note**"). Such Temporary Global Note will be held by a common depositary on behalf of Euroclear Bank S.A./N.V. as operator of the Euroclear System ("**Euroclear**", which expression shall include, where the context so permits, any successor in business of Euroclear) and Clearstream Banking S.A. ("**Clearstream, Luxembourg**") which expression shall include, where the context so permits, any successor in business of Clearstream, Luxembourg), or in any other clearing system specified in the applicable Series Memorandum. Interests in

the Temporary Global Note may be exchanged for interests in a permanent global Note (each a "**Permanent Global Note**"), or, if so provided in the relevant Series Memorandum for definitive Bearer Notes, upon certification of non-U.S. beneficial ownership not earlier than the first day (the "**Exchange Date**") following the 40 day period commencing on the original issue date of the Notes (the "**40-Day Restricted Period**").

Each non-U.S. Series or non-U.S. Tranche of Bearer Notes and Exchangeable Bearer Notes issued pursuant to Section 1.163-5(c)(2)(i)(C) of the Treasury Regulations under the Code ("**C Notes**") will be represented by a Permanent Global Note or by definitive Bearer Notes. The applicable Constituting Instrument relating to each Series will state if the Notes of such Series or Tranche are C Notes.

Each Permanent Global Note will, if so provided in the relevant Constituting Instrument, be exchangeable, in whole but not in part, for definitive Bearer Notes under the limited circumstances set forth in Condition 1.

Each non-U.S. Series or non-U.S. Tranche of Registered Notes will be represented by definitive registered certificates ("**Registered Certificates**") and/or a registered certificate in global form (a "**Global Registered Certificate**") which will be registered in the name of a nominee for Euroclear and Clearstream, Luxembourg or in any clearing system specified in the applicable Constituting Instrument. Definitive Exchangeable Bearer Notes will be exchangeable for definitive Registered Certificates only if and to the extent so specified in the relevant Series Memorandum. Definitive Registered Certificates will not be exchangeable for Bearer Notes or an interest therein.

The following applies only to Notes of a U.S. Series/U.S. Tranche: Unless otherwise specified in the applicable Constituting Instrument, no Issuer will issue a Series of Notes (a "**U.S. Series**") or Tranche of Notes (a "**U.S. Tranche**") which may be offered or sold within the United States or to, or for the account or benefit of, U.S. Persons.

As at the date of this Programme Memorandum, it is not contemplated that any Issuer will issue a U.S. Series or U.S.

Tranche.

References herein to "**Noteholder**" or "**holder**" mean the bearer of any Bearer Note or the person in whose name a Registered Note is registered.

Currencies:

Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in such currency or currencies as the Issuer and the Arranger agree, as specified in the relevant Series Memorandum.

Maturities:

Subject to compliance with all relevant laws, regulations and directives, any maturity between seven days and perpetuity as specified in the relevant Series Memorandum.

Denomination:

Notes will be in such denominations as may be specified in the relevant Series Memorandum, subject to a minimum specified denomination of €100,000 or the equivalent thereof in another currency.

Type of Notes:

The Notes may be Fixed Rate Notes, Floating Rate Notes, Zero Coupon Notes, Variable Coupon Amount Notes, Interest Only Notes, Long Maturity Notes, Credit-Linked Notes, Index-Linked Notes or such other type of Note as the Issuer and the Arranger may agree that the Issuer can issue under the Programme and in each case the terms applicable to them shall be as specified in the relevant Series Memorandum.

Terms other than as described in this summary applicable to any Notes which the Issuer and the Arranger may agree that the Issuer can issue under the Programme will be set out in the relevant Series Memorandum.

Mandatory Redemption:

As set out in the section of this Programme Memorandum headed "Terms and Conditions of the Notes".

Redemption by Instalments:

The relevant Series Memorandum in respect of Notes that are redeemable in two or more instalments will set out the dates on which, and the amounts in which, such Notes may be redeemed.

Optional Redemption:

The Series Memorandum issued in respect of each issue of Notes of a Series or Tranche will state whether such Notes may be redeemed prior to their stated maturity at the option of the Issuer or the Noteholders (either in whole or in part) and, if so, the terms applicable to such

redemption.

Early Redemption:

Except as provided in "- Mandatory Redemption", "- Redemption by Instalments" and "- Optional Redemption" above, Notes will be redeemable prior to maturity only (i) upon termination of the relevant Charged Agreement (if any) on the date of such termination, or (ii) in such circumstances as are specified in Condition 9 of the Notes.

Status of Notes:

The Notes of each Series will be secured limited recourse obligations of the Issuer ranking *pari passu* and without preference among themselves (save in the case of a Series comprising more than one class or Tranche of Notes, in which case the Notes of each such class or Tranche will rank *pari passu* and without preference among themselves but not, save to the extent specified in the applicable Series Memorandum, with Notes of another class or Tranche comprised in such Series; in such a case, the ranking and preference of each class or Tranche of Notes will be as specified in the relevant Series Memorandum). (See also "- Security" above.)

Charged Assets:

The Charged Assets in relation to a Series of Notes are those which are specified as such in the relevant Series Memorandum which may comprise, without limitation, (i) debt securities or negotiable instruments (including, without limitation, bonds, commercial paper, notes, debentures, promissory notes, certificates of deposit or bills of exchange) of any form, denomination, type and issue, (ii) shares, stock or other equity securities of any form, denomination, type and issuer, (iii) the benefit of loans, evidences of indebtedness or other rights of any kind whatsoever, contractual or otherwise (including, without limitation, sub-participations, documentary or standby letters of credit or swap, option, exchange or other arrangements of the type contemplated in the description of "Charged Agreement" below, derivatives, commodity interests, assignments, participations, transferable loan certificates or instruments and/or any other instruments comprising, evidencing, representing and/or transferring such securities and/or agreements and/or rights (contractual or otherwise)) assigned or transferred to or otherwise vested in, or entered into by, the Issuer, (iv) cash or (v) any other assets all as may be more particularly specified in the applicable Series Memorandum. The Charged Assets in relation

to a Series of Notes may comprise a pool or portfolio of one or more of any of the foregoing and, if so specified in the applicable Series Memorandum relating to such Series, may also comprise the Charged Assets for one or more other Series of Notes (a "**Related Series**").

Realisation of Charged Assets:

If a Realisation Agent has been appointed in respect of the Notes, the Realisation Agent shall, pursuant to, and in accordance with, the provisions of the Agency Agreement, use all reasonable endeavours to sell or otherwise realise the Charged Assets in accordance with the Conditions within the Realisation Period specified in the relevant Series Memorandum.

If the Realisation Agent has not been able to liquidate all or part of the Charged Assets within the Realisation Period it must sell them at its expiry, irrespective of the price obtainable and regardless if such price is close to or equal to zero. If, however, the Realisation Agent determines that there is no available market for the Charged Assets, or if the Realisation Agent otherwise determines that it is impossible to sell or otherwise realise the Charged Assets or any part thereof, the Realisation Agent will promptly notify the Issuer, the Trustee and the Swap Counterparty (if any) of such lack of availability or impossibility and the Realisation Agent shall not be required to effect the sale or other realisation of the Charged Assets or any part thereof. Any such determination by the Realisation Agent shall be in its sole discretion and shall be binding on the Issuer, the Trustee, the Swap Counterparty, the Noteholders and the other Secured Creditors. In the event that the Realisation Agent makes such determination the Trustee at its discretion may, and shall if so requested or directed in accordance with the relevant paragraph of Condition 4(c) (but subject in each case to its being secured and/or indemnified in accordance with such paragraph), realise all or part of the Charged Assets by other means.

Charged Agreement:

Barclays Bank PLC will be counterparty ("**Swap Counterparty**") under each Charged Agreement (if any) in relation to a Series of Notes unless otherwise specified in the Series Memorandum for such Series. The Charged Agreement will comprise those agreements which are specified as such in the relevant Series Memorandum. Any such agreement may comprise (i) any transaction which is a

rate swap transaction, swap option, basis swap, forward rate transaction, commodity swap, commodity option, equity or equity index swap, equity or equity index option, bond option, interest rate option, foreign exchange transaction, cap transaction, floor transaction, collar transaction, currency swap transaction, cross-currency rate swap transaction, currency option, credit protection transaction, credit swap, credit default swap, credit default option, total return swap, credit spread transaction, repurchase transaction, reverse repurchase transaction, buy/sell-back transaction, securities lending transaction, or forward purchase or sale of a security, commodity or other financial instrument or interest (including any option with respect to any of these transactions), in each case, as applicable, whether single-name or portfolio-based, (ii) any transaction which is a type of transaction that is similar to any transaction referred to in (i) that is currently, or in the future becomes, recurrently entered into in the financial markets (including terms and conditions incorporated by reference in such agreement) and that is a forward, swap, future, option or other derivative on one or more rates, currencies, commodities, equity securities or other equity instruments, debt securities or other debt instruments, or economic indices or measures of economic risk or value and any combination of the foregoing transactions entered into in connection with a particular Series, or (iii) any other transaction executed with a Swap Counterparty specified in a Series Memorandum. The Series Memorandum for any Series of Notes may, subject in the case of a rated Series to the requirements of any relevant recognised debt rating agency, require any Swap Counterparty to any Charged Agreement with the Issuer to deposit security, collateral or margin, or to provide a guarantee, in respect of its obligations under such Charged Agreement in the circumstances specified in such Series Memorandum. However, in the absence of such a requirement no such security, collateral, margin or guarantee will be made or provided.

Negative Pledge/Restrictions:

There will be no negative pledge. So long as any Notes remain outstanding, the Issuer will not, without the prior written consent of the Trustee, engage in any business (other than transactions contemplated by this Programme Memorandum in relation to the Issuer) or declare any dividends or have any

subsidiaries. The Issuer will undertake to notify any relevant recognised rating agency which has assigned a rating (at the request of the Issuer) to any Series or Tranche of Notes of any change in its corporate status (including, without limitation, any change in its principal objects or business).

Cross Default:

None.

Withholding Tax:

Each Noteholder will assume and be solely responsible for any and all taxes of any jurisdiction or governmental or regulatory authority, including, without limitation, any state or local taxes or other like assessment or charges that may be applicable to any payment to it in respect of the Notes.

All payments in respect of the Notes will be made without deduction or withholding for or on account of tax, save as required by law. The Issuer will not pay any additional amounts to Noteholders to reimburse them for any tax, assessment, duties or governmental charges of whatever nature which may be required (as a result of FATCA or otherwise) to be withheld or deducted from payments in respect of the Notes by the Issuer or any Paying Agents.

"FATCA" means:

- (i) sections 1471 to 1474 of the U.S. Internal Revenue Code or any current or future associated regulations or other official guidance;
- (ii) any current or future treaty, law, regulation or other official guidance enacted in any other jurisdiction, or relating to an intergovernmental agreement between the U.S. and any other jurisdiction, which (in either case) facilitates the implementation of paragraph (i) above; or
- (iii) any agreement pursuant to the implementation of paragraphs (i) or (ii) above with the U.S. Internal Revenue Service, the U.S. government or any governmental or taxation authority in any other jurisdiction,

in each case as the same may be amended from time to time.

Further Issues:

Unless otherwise provided in the relevant Series Memorandum the Issuer may from time

to time issue further Notes of any Series on the same terms as existing Notes and such further Notes shall be consolidated and form a single series with such existing Notes of the same Series; provided that, unless otherwise approved by Extraordinary Resolution of Noteholders of the relevant Series, the Issuer shall provide additional assets as security for such further Notes and existing Notes in accordance with Condition 16.

Governing Law of Notes:

English law, or as otherwise provided in the relevant Series Memorandum.

Listing:

Application has been made to Euronext Dublin for certain Series to be admitted to the Official List and trading on the GEM which is the exchange regulated market of Euronext Dublin within 12 months of the date of this Programme Memorandum or on any other regulated market or stock exchange as specified in the relevant Series Memorandum. Unlisted Notes may also be issued. Where Notes are to be admitted to trading on the GEM, the term "Programme Memorandum" should be taken to mean Base Listing Particulars as such term is defined under the guidelines of Euronext Dublin.

Selling and Transfer Restrictions:

There are restrictions on the offer or sale of Notes and the distribution of offering material - see "Subscription and Sale" below. The applicable Series Memorandum in relation to the Notes of a particular Series or Tranche may contain additional or other restrictions on the offer or sale of, or grant of a participation in, Notes of the relevant Series or Tranche.

Rating:

Each Series of Notes may be rated by one or more Rating Agencies as specified in the Series Memorandum in respect of a Series. Unrated Series may be issued under a Programme provided that the Rating Agencies that rated a prior Series under such Programme have reviewed the terms of such unrated Series and confirmed in writing that such issuance would not adversely affect any of their respective current ratings of a Series under such Programme then in force. Any rating of any Notes issued under the Programme will be specified in the relevant Series Memorandum. A security rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning Rating Agency.

RISK FACTORS

THE NOTES AND ALTERNATIVE INVESTMENTS INVOLVE SUBSTANTIAL RISKS AND ARE SUITABLE ONLY FOR SOPHISTICATED INVESTORS WHO HAVE THE KNOWLEDGE AND EXPERIENCE IN FINANCIAL AND BUSINESS MATTERS NECESSARY TO ENABLE THEM TO EVALUATE THE RISKS AND THE MERITS OF SUCH AN INVESTMENT OR TRANSACTION. THE NOTES AND (IF APPLICABLE) ALTERNATIVE INVESTMENTS ARE NOT PRINCIPAL PROTECTED, UNLESS EXPLICITLY SO PROVIDED IN THE SERIES MEMORANDUM THEREFOR, AND PURCHASERS OF NOTES AND (IF APPLICABLE) PARTIES TO ALTERNATIVE INVESTMENTS ARE EXPOSED TO FULL LOSS OF PRINCIPAL. ONLY PROSPECTIVE PURCHASERS OF NOTES OR PROSPECTIVE PARTIES TO ALTERNATIVE INVESTMENTS WHO CAN WITHSTAND THE LOSS OF THEIR ENTIRE INVESTMENT SHOULD BUY THE NOTES OR ALTERNATIVE INVESTMENTS. BEFORE MAKING AN INVESTMENT DECISION, PROSPECTIVE INVESTORS OR PARTIES TO ALTERNATIVE INVESTMENTS SHOULD CONSIDER CAREFULLY, IN THE LIGHT OF THEIR OWN FINANCIAL CIRCUMSTANCES AND INVESTMENT OBJECTIVES, ALL THE INFORMATION SET FORTH IN THIS PROGRAMME MEMORANDUM AND, IN PARTICULAR, THE CONSIDERATIONS SET FORTH BELOW AND IN THE RELEVANT SERIES MEMORANDUM OR ALTERNATIVE MEMORANDUM.

THE FOLLOWING RISK FACTORS ARE A NON-EXHAUSTIVE LIST OF FACTORS FOR INVESTORS TO CONSIDER BEFORE INVESTING IN NOTES. ADDITIONAL FACTORS AND, IN THE CASE OF A SERIES OF ALTERNATIVE INVESTMENTS, A NON-EXHAUSTIVE LIST OF FACTORS FOR INVESTORS TO CONSIDER BEFORE ENTERING INTO THE RELEVANT ALTERNATIVE INVESTMENT, MAY BE SPECIFIED IN THE SERIES MEMORANDUM OR ALTERNATIVE MEMORANDUM FOR THE RELEVANT SERIES.

Alternative Investments

A non-exhaustive list of risk factors relating to an investment in an Alternative Investment may, where appropriate, be specified in the relevant Alternative Memorandum.

Credit-Linked Notes

A non-exhaustive list of risk factors relating to an investment in Notes which are described in a Series Memorandum as Credit-Linked Notes may, where appropriate, be specified in the relevant Series Memorandum.

Limited Recourse

All payments to be made by the Issuer in respect of the Notes of a Series and any Charged Agreement relating to such Series will only be due and payable from and to the extent of the sums received or recovered from time to time by or on behalf of the Issuer or the Trustee in respect of the Collateral in respect of such Series.

To the extent that such sums are less than the amount which the holders of the Notes and any Swap Counterparty expected to receive (the difference being referred to herein as a "**shortfall**"), such shortfall will be borne, following enforcement of the security for the Notes, in the inverse of the order of priorities on enforcement specified in Condition 4(d), unless otherwise provided in the applicable Series Memorandum and the related Constituting Instrument and/or Additional Charging Instrument, if applicable.

Each holder of Notes of a Series by subscribing for or purchasing such Notes and any Swap Counterparty relating to such Series will be deemed to accept and acknowledge that it is fully aware that:

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- (i) the holders of the Notes and any Swap Counterparty shall look solely to the sums referred to in the first paragraph of this section, as applied in accordance with the order of priorities referred to in the second paragraph of this section (the "**Relevant Sums**"), for payments to be made by the Issuer in respect of such Notes and any Charged Agreement relating to such Series;
 - (ii) the obligations of the Issuer to make payments in respect of such Notes and any such Charged Agreement will be limited to the Relevant Sums and the holders of such Notes and any such Swap Counterparty shall have no further recourse to the Issuer (or any of its rights, assets or properties), the Dealer, the Swap Counterparty or any other Programme Party or person and, without limiting the generality of the foregoing, any right of the holders of such Notes and any such Swap Counterparty to claim payment of any amount exceeding the Relevant Sums shall be automatically extinguished; and
 - (iii) the holders of such Notes and any such Swap Counterparty shall not be entitled to petition for the winding up of the Issuer as a consequence of any such shortfall or otherwise.

The Issuer is a special purpose vehicle

The Issuer will covenant in the Trust Deed in connection with each Series of Notes that, as long as any such Notes remain outstanding, it will not consolidate or merge with any other person or entity, purchase, own, lease or otherwise acquire any real property (including office premises or like facilities) or acquire obligations or securities of its shareholders, and without the prior written consent of the Trustee and the Swap Counterparty, it will not have any subsidiaries, have any employees, issue any shares (other than such shares as were in issue on the date of its incorporation) or declare or pay any dividends. Accordingly, the Issuer has, and will have, no assets other than its issued and paid-up share capital, such fees (as agreed) payable to it in connection with the issue of any Series of Notes or entry into of other obligations from time to time and any Collateral and any other assets on which any such Notes or other obligations are secured.

Only the Trustee may enforce the security over the Collateral

The Noteholders are not permitted to enforce the security over the Collateral. Only the Trustee may enforce the security over the Collateral in accordance with, and subject to, the terms of the Trust Deed. The Trustee will be required to enforce the security in respect of a Series of Notes if requested by the holders of at least one-fifth in aggregate principal amount of such Notes then outstanding, if directed by an Extraordinary Resolution of the Noteholders or if directed by the Swap Counterparty (if any) in writing if the relevant Charged Agreement (if any) has terminated in accordance with its terms and any sums remain owing to the Swap Counterparty under such Charged Agreement or if so required by the Conditions, in each case subject to the Trustee being secured and/or indemnified to its satisfaction.

The interests of a particular Noteholder (who requests or directs the enforcement of the security) may not coincide with those of other Noteholders and the interests of the Swap Counterparty may be different from those of the Noteholders. Enforcement of the security on the request or direction of some of the Noteholders or on the direction of the Swap Counterparty may not be in the best interests of some or all of the Noteholders.

No Guarantee of Performance

None of the Programme Parties is obligated to make payments on the Notes, and none of them guarantees the value of the Notes or is obliged to make good on any losses suffered as a result of an investment in the Notes.

Investors must rely solely on the relevant Collateral for payment under the Notes. There can be no assurance that amounts received by the Issuer from the Collateral will be sufficient to pay all amounts when due if at all. Neither the Issuer nor any of the Programme Parties will have any liability to the

holders of any Notes as to the amount, or value of, or any decrease in the value of, the relevant Collateral.

Charged Assets

Where in respect of a Series of Notes there are Charged Assets, such Charged Assets will be subject to credit, liquidity, currency exchange and interest rate risks. Such Charged Assets may be rated below investment grade and, in such case, will have greater credit and liquidity risk than investment grade assets. Whether or not such Charged Assets are investment grade, if a default or other mandatory redemption event specified in Condition 7(b) occurs with respect to any Charged Assets securing the Notes of any Series and the Trustee or Realisation Agent (as defined herein) sells or otherwise disposes of such Charged Assets, it is not likely that the proceeds of such sale or disposition will be equal to the unpaid principal and interest thereon. Even in the absence of a default with respect to any of the Charged Assets securing any Series of Notes, due to potential market volatility, the market value of such Charged Assets at any time will vary, and may vary substantially, from the price at which such Charged Assets were initially purchased and from the principal amount of such Charged Assets. Accordingly, no assurance can be given as to the amount of proceeds of any sale or disposition, or the amount received or recovered upon maturity, of such Charged Assets securing any Series of Notes, or that the proceeds of any such sale or disposition would be sufficient to repay principal of and interest on the Notes of the related Series and amounts payable prior thereto. In the event of an insolvency of an issuer or obligor in respect of the Charged Assets, various insolvency and related laws applicable to such issuer or obligor may limit the amount the Trustee may recover and determine or affect when such recovery may be made.

In addition to the risks described above, if the Charged Assets are in the form of interests in loans rather than bonds, the Charged Assets will be subject to additional liquidity and, in some cases, credit risks. Loans are not generally traded on organised exchange markets but are traded by banks and other institutional investors engaged in loans syndications. Consequently, the liquidity of any loans included in the Charged Assets securing a given Series of Notes will depend on the liquidity of these trading markets, and there can be no assurance that there will be any market for any loan securing a Series of Notes if the Issuer or the Trustee is required to sell or otherwise dispose of such loan. In addition, if so specified in the applicable Series Memorandum, the Charged Assets for a given Series of Notes may include participation interests in loans. Holders of loan participations are subject to additional risks not applicable to a holder of a direct interest in a loan. A holder of a participation interest may be subject to the credit risk of the participating institution, which will remain the legal owner of record of the applicable loan. Participants also do not generally benefit from the collateral (if any) supporting the loans in which they have an interest because loans participations generally do not provide a purchaser with direct rights to enforce compliance by the obligor with the terms of the loan agreement, nor do they provide any rights of set-off against the obligor.

Charged Assets Replacement in respect of Notes to which the Master Conditions (February 2021 Edition – Version 2) apply

In respect of Notes to which the Master Conditions (February 2021 Edition – Version 2) apply, under the Terms and Conditions, the Swap Counterparty may require the Issuer to substitute the Charged Assets with either (i) Replacement Charged Assets in a principal amount equal to the principal amount of those Charged Assets being so substituted or (ii) to the extent such Replacement Charged Assets have become Defaulting Assets, at the option of the Swap Counterparty, an amount in cash equal to the market value (as determined by the Determination Agent in its sole discretion) of such Replacement Charged Assets that have become Defaulting Assets. The Issuer may only substitute the Charged Assets pursuant to a Charged Assets Replacement Notice from the Swap Counterparty. The Swap Counterparty has full discretion to exercise this right in its commercial interests without regard to the effect such exercise may have on the financial position of the Noteholders or the security interests over the Charged Assets. Even if the Charged Assets are replaced, investors have a credit exposure to the Charged Assets and the Swap Counterparty may, if the Charged Assets or Replacement Charged Assets default, pass exposure to such defaulted securities to the Noteholders.

No mark-to-market termination payment on Mandatory Redemption Event if Variable Standard 6(e) Termination is specified as the Charged Agreement Termination Method

In respect of Notes to which the Master Conditions (February 2021 Edition – Version 2) apply, if the Constituting Instrument of such Notes specifies that Variable Standard 6(e) Termination applies in respect of the Charged Agreement, then in the event that a Mandatory Redemption Event occurs in respect of the Charged Assets (which may include Replaced Charged Assets) and Reference Assets (which may occur even if the Issuer does not hold any Charged Assets or Reference Assets as at the date of such Mandatory Redemption Event), the obligations of each party under the Charged Agreement shall be satisfied by payment of all amounts which have become payable under the Charged Agreement but remain unpaid as of the Early Termination Date of the Charged Agreement. No further payments shall be due from either party under the Charged Agreement, and in particular no termination payment would arise irrespective of the then mark-to-market value of the Charged Agreement. As such, Noteholders will receive an Early Redemption Amount which is calculated without the benefit of any Charged Agreement termination payment which otherwise would have been payable to the Issuer upon termination of the Charged Agreement. Conversely, the Issuer will not be required to liquidate the Charged Assets in order to pay the Swap Counterparty any termination payment which otherwise would have been payable to the Swap Counterparty upon termination of the Charged Agreement.

Priority of Payments and Different Classes of Notes

Unless otherwise specified in the applicable Series Memorandum, upon the enforcement of the security for the Notes of a Series comprising more than one class or Tranche, payment of amounts due to the holders of a class or Tranche of Notes ranking senior to one or more junior ranking class or classes (or Tranche or Tranches) of Notes shall be made before payment is made to the next most senior ranking class or Tranche of Notes. Thus, the rights to receive payments in respect of more junior ranking class or classes (or Tranche or Tranches) of Notes are junior and subordinate to the rights to receive payments in respect of more senior ranking class or classes (or Tranche or Tranches) of Notes. The risks of delays in payments or ultimate non-payment of principal and/or interest will be borne disproportionately by holders of the more junior ranking class or classes (or Tranche or Tranches) of Notes as compared to holders of more senior ranking class or classes (or Tranche or Tranches) of Notes. Further upon any enforcement of the security for the Notes of a Series, whether comprised of one or more Classes or Tranches, amounts due and owing to the Swap Counterparty (see "Swap Counterparty's Priority" below) and any amounts due and owing to any other transaction parties which rank in priority thereto (as specified in the Conditions of the Notes) will be paid prior to any payments on the Notes, unless otherwise specified in the related Series Memorandum and Constituting Instrument.

The Trustee will generally be required to have regard to the separate interests of the holders of each class or Tranche. However, in certain circumstances the Trustee shall be required not to have regard to the interests of the holders of a class or Tranche of Notes ranking junior to one or more senior ranking class or Tranche of Notes to the extent any of such senior class or classes (or Tranche or Tranches) of Notes remain outstanding.

Swap Counterparty's Priority

The obligation of the Issuer to pay all amounts due to the Swap Counterparty after enforcement of security for such Notes will rank senior to all other payments in respect of the Notes of such Series, unless otherwise specified in the related Series Memorandum and Constituting Instrument.

In carrying out its duties and exercising its discretions in respect of any Series of Notes, the Trustee will be under no obligation or duty to act on any directions of the Noteholders or any requests by any Swap Counterparty (save as expressly otherwise provided for). The basis on which the Trustee shall be entitled to act in the event of any conflict between directions given by the Noteholders and any requests by the Swap Counterparty is set out in the section of this Programme Memorandum headed "Terms and Conditions of the Notes" below.

Issuer Expenses

Payments of certain costs and expenses of the Issuer in connection with the issue of Notes have been, or will be, met by the Arranger pursuant to the relevant Programme Expenses Letter and the relevant Series Expenses Letter (each as defined below). To the extent that any unanticipated or extraordinary costs and expenses of the Issuer which are payable by the Issuer arise in connection with the Notes or otherwise and such costs and expenses are not paid by the Arranger (or are not otherwise payable by the Arranger pursuant to the Programme Expenses Letter and the Series Expenses Letter), the Issuer may have no available funds to pay such costs and expenses and there is a risk that it might become insolvent as a result thereof.

No Secondary Market

There is no secondary market for the Notes and a secondary market may not develop in respect of the Notes. In the event that a secondary market in the Notes develops, there can be no assurance that it will provide holders of Notes with liquidity of investment or that it will continue for the life of the Notes. None of the Arranger, any Dealer, any of their respective affiliates or any other party is under any obligation to make a market in, or otherwise offer to repurchase or unwind the terms of, any Notes. In the event that the Arranger or any Dealer or any of their affiliates commences any market making, it may discontinue doing so at any time without notice. Accordingly, the purchase of Notes is suitable only for investors who can bear the risks associated with a lack of liquidity in, and the financial and other risks associated with an investment in, the Notes. Investors must be prepared to hold the Notes for an indefinite period of time or until the final redemption or maturity of the Notes.

Taxation

Each Noteholder will assume and be solely responsible for any and all taxes of any jurisdiction or governmental or regulatory authority, including, without limitation, any state or local taxes or other like assessment or charges that may be applicable to any payment to it in respect of the Notes. All payments in respect of the Notes will be made without deduction or withholding for or on account of tax, save as required by law. The Issuer will not pay any additional amounts to Noteholders to reimburse them for any tax, assessment, duties or governmental charges of whatever nature which may be required (as a result of FATCA or otherwise) to be withheld or deducted from payments in respect of the Notes by the Issuer or any Paying Agents.

If an amount in respect of FATCA withholding were to be deducted or withheld from interest, principal or other payments payable under or in respect of the Notes, neither the Issuer nor any Agent nor any other person would, pursuant to the Conditions, be required to pay additional amounts as a result of such FATCA withholding. In such circumstances, Noteholders might receive less than otherwise expected.

Emerging Markets

The assets comprising the Charged Assets in respect of any Series of Notes may originate from an emerging markets country. Investing in obligations of entities in emerging markets countries or in obligations which are secured by or referenced to such obligations involves certain systemic and other risks and special considerations which include:

- (i) the prices of emerging markets obligations may be subject to sharp and sudden fluctuations and declines;
- (ii) emerging markets obligations tend to be relatively illiquid. Trading volume may be lower than in debt of higher grade credits. This may result in wide bid/offer spreads generally and in adverse market conditions. In addition, the sale or purchase price quoted for a portion of the Charged Assets may be better than can actually be obtained on the sale of the entire holding of the Charged Assets;

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- (iii) published information in or in respect of emerging markets countries and the issuers of or obligors in respect of emerging markets obligations has been proven on occasions to be materially inaccurate;
 - (iv) in certain cases the holders of Notes may be exposed to the risk of default by a sub-custodian in an emerging markets country; and
 - (v) realisation of Charged Assets comprising emerging markets obligations may be subject to restrictions or delays arising under local law.

Credit Risk

A prospective purchaser of the Notes should have such knowledge and experience in financial and business matters and expertise in assessing credit risk that it is capable of evaluating the merits, risks and suitability of investing in the Notes including any credit risk associated with the Issuer, any Swap Counterparty or other obligor with respect to the Collateral. None of the Issuer, any of the Programme Parties or any of their respective affiliates will have any responsibility or duty to make any such investigations, to keep any such matters under review or to provide the prospective purchasers of the Notes with any information in relation to such matters or to advise as to the attendant risks.

If the issuer(s) of, or obligor(s) under, the relevant Charged Assets or any Swap Counterparty fails to make due and timely payment, or otherwise honour its obligations, under the relevant Charged Assets or Charged Agreement, a loss of principal and/or interest under the Notes may result. Accordingly, the Noteholders assume the credit risk of the issuer(s) of, or obligor(s) under, the relevant Charged Assets and any Swap Counterparty.

None of the Issuer, any of the Programme Parties or any of their affiliates will have made any investigation of, or makes any representation or warranty, express or implied, as to, (i) the existence or financial or other condition of the issuer(s) of, or obligor(s) under, the relevant Charged Assets or any Swap Counterparty or (ii) whether the relevant Charged Assets or Charged Agreement constitute legal, valid, binding and enforceable obligations of the issuer(s) of, or obligor(s) under, the Charged Assets or the Swap Counterparty.

The Noteholders and any prospective purchasers of the Notes will at all times be solely responsible for making their own independent appraisal of, and investigation into, the business, financial condition, prospects, creditworthiness, status and affairs of the issuer(s) of, or the obligor(s) under, the relevant Charged Assets and any Swap Counterparty.

Exposure to risk related to the Reference Assets even if the Issuer holds Cash Collateral

In respect of Notes to which the Master Conditions (February 2021 Edition – Version 2) apply, in lieu of delivery to the Issuer of all or part of the Charged Assets on the Issue Date of the Notes, the Swap Counterparty may deposit cash into the Cash Account opened in the name of the Issuer with the Custodian, provided that, subject to the terms and conditions applicable to a Series of Notes, the aggregate of the amount of cash and the principal amount of Charged Assets held by the Issuer shall always be equal to the principal amount of the Charged Assets as specified in the Constituting Instrument relating to such Notes. Following the Issue Date, the Swap Counterparty may notify the Issuer that it wishes to exchange some or all of the cash held in the Cash Account for the Switch-in Charged Assets, which shall form part of the Charged Assets. Notwithstanding that cash is held in the Cash Account at any time following the Issue Date, investors in such Notes will be exposed to the credit risk of the Reference Assets as if the Issuer had held the full principal amount of the Reference Assets as specified in the Constituting Instrument relating to such Notes. In particular, such Notes shall be redeemed upon the occurrence of a Mandatory Redemption Event, an Early Redemption Following Restructuring (if applicable), an Other Early Redemption Event (if applicable), a Charged Assets Coupon Deferral Event (if applicable) or a Tax Event (if applicable) or following a termination of the Charged Agreement, a Non-Call Redemption or an Event of Default, even if the Issuer does not hold the Charged Assets (which may include Replaced Charged Assets) and Reference Assets as at

the date of such event, or holds only some of the amount of Charged Assets (which may include Replaced Charged Assets) and the Reference Assets specified in the Constituting Instrument relating to such Notes. The redemption amount of such Notes in such circumstances shall be calculated by the Determination Agent in its sole and absolute discretion by reference to the market value of the amount of Charged Assets specified in the Constituting Instrument relating to such Notes as at the date of redemption of such Notes and any excess cash in the Cash Account will be paid to the Swap Counterparty.

Custodian Holding Cash

Cash held on behalf of the Issuer by the Custodian (whether as Charged Assets, or received as proceeds or other payments in respect of the Charged Assets or otherwise) will, save in the limited circumstances contemplated in the Master Custody Terms, be held by the Custodian as banker and not as a trustee under the client money rules as set out in Chapter 7 of the Client Asset Rules of the Financial Conduct Authority of the United Kingdom ("**Client Money Rules**"). Where cash is so held if the Custodian fails (as such term is used in the Client Money Rules), the client money distribution and transfer rules as set out in Chapter 7A of the Client Asset Rules ("**Client Money Distribution and Transfer Rules**") will not apply to such cash and so the Issuer will not be entitled to share in any distribution under the Client Money Distribution and Transfer Rules. Accordingly, holders of Notes are exposed to an insolvency of the Custodian in respect of any cash held by the Custodian, including, without limitation, any cash held as part of the Charged Assets.

As indicated, there are limited circumstances in which the Custodian may hold certain sums as client money for the benefit of the Issuer in accordance with the Client Money Rules and that these circumstances are limited to the requirements under the Client Asset Rules pursuant to which the Custodian may be required to segregate certain sums from the Custodian's own funds as client money. In respect thereof, such segregation will (i) continue until such time as the relevant shortfall has been resolved, at which point the Custodian would re-appropriate such money, (ii) such client money would then be held in accordance with the Client Money Rules on behalf of the Issuer, to the extent that the Issuer is affected by the relevant shortfall and (iii) in the absence of the Custodian's failure, such segregation would not create a cash entitlement of the Issuer against the Custodian. Any such segregated client money will be held with a third party bank or banks and, accordingly, if a bank with which the Custodian holds any client money fails at the same time as the Custodian fails, the Issuer may share in any shortfall of client money on a *pro rata* basis and, accordingly, holders of Notes are exposed to an insolvency of any such third party bank in respect of any cash held by such third party bank in respect of the Charged Assets.

Custodian, Sub-Custodians and Depositories and related risks

Where the Charged Assets or other assets of the Issuer in respect of a Series are held with a Custodian, a Sub-Custodian or Depository, the ability of the Issuer to meet its obligations with respect to such Series will be dependent upon receipt by the Issuer of payments from such Custodian, Sub-Custodian or Depository. Consequently, the Noteholders are exposed to any Custodian, Sub-Custodian or Depository holding the Charged Assets or other assets. If any Charged Assets or other assets of the Issuer in respect of a Series are held with a Custodian, Sub-Custodian or Depository which becomes insolvent (or any other analogous event occurs in respect thereof), (i) the consequences for the Issuer will depend upon the applicable law of such insolvency proceedings (which may not be English law) and (ii) the insolvency may result in delays in settling or transferring Charged Assets or such other assets so held. The effect of any applicable law with respect to any Sub-Custodian or Depository is outside the control of the Custodian and could, for example, mean that the Issuer's interests in the Charged Assets or such other assets are not recognised as separate from those of the Sub-Custodian and/or Depository (as applicable) and, accordingly, Noteholders may be exposed to the insolvency risk of any Custodian, Sub-Custodian and/or Depository in respect of the Charged Assets or such other assets.

In addition, Depositories and Sub-Custodians appointed in accordance with the Master Custody Terms may have a lien, pledge or other security interest (statutory or otherwise) over, or right of set-off or retention and sale in respect of, the Issuer's securities and entitlements credited to any account held with such Depository or Sub-Custodian in relation to claims for payment of obligations owed to the relevant Depository or Sub-Custodian (including administration and safe custody charges) as, in respect of a Depository, provided in any applicable Depository agreement or rules, regulations and conditions imposed by such Depository or, in respect of any Sub-Custodian appointed in accordance with the Master Custody Terms, so contemplated in the Master Custody Terms and/or any Constituting Instrument into which the Master Custody Terms are incorporated in respect of a Series of Notes. If the Custodian fails to pay such fees and/or expenses, the relevant Depository or Sub-Custodian may exercise such lien or right of set-off. This may result in the Issuer failing to receive any payments due to it in respect of the Charged Assets or other assets of the Issuer, and thereby adversely affecting the ability of the Issuer to meet its obligations with respect to a Series of Notes and result in loss to Noteholders. Therefore, the ability of the Issuer to meet its obligations with respect to a Series of Notes will not only be dependent upon receipt by the Issuer of payments from the Custodian under the Custody Agreement with respect to a Series of Notes but will also be dependent on any Depository or Sub-Custodian not exercising any lien or right of set-off in respect of any Charged Assets or other assets of the Issuer that it holds.

Where any Charged Assets are held outside of the United Kingdom (or, if different, outside of the jurisdiction in which the Issuer is established), different settlement, legal and regulatory requirements and different practices relating to the separate identification of those securities may apply which are different to those in the United Kingdom or the Issuer's jurisdiction (as the case may be). Accounts that contain Charged Assets may be subject to the law of other jurisdictions, including those outside of the United Kingdom and the EEA, and the Issuer's rights may be different from those that would apply were English law to be applicable.

Realisation Agent

A Realisation Agent may be appointed in respect of a Series of Notes to liquidate Charged Assets of the Issuer upon redemption of such Notes in accordance with the terms and conditions of such Notes. In the event that the Realisation Agent fails to sell the Charged Assets in respect of a Series of Notes within the Realisation Period, it must sell such Charged Assets at the expiry of the Realisation Period, irrespective of the price obtainable and regardless if such price is close to or equal to zero. If the Realisation Agent determines there is no market for such Charged Assets, or the Realisation Agent otherwise determines that it is impossible to sell or otherwise realise such Charged Assets or any part of them, the Trustee may at its discretion, and shall if so directed (i) in writing by the holders of at least one-fifth in principal amount of the Notes then outstanding or (ii) by an Extraordinary Resolution of the Noteholders or (iii) in writing by a Swap Counterparty (if any) if the relevant Charged Agreement (if any) has terminated in accordance with its terms and any sum remains owing to the Swap Counterparty under such Charged Agreement, subject to it being indemnified and/or secured and/or prefunded to its satisfaction, realise all or part of the Charged Assets by other means.

In the event that the Realisation Agent is unable or unwilling to act as such the Issuer will, with the prior consent of the Trustee and the Swap Counterparty (if any), appoint the London office of a leading international investment bank to act as such.

Currency Risk

An investment in Notes denominated and payable in a foreign currency entails significant risks to a Noteholder that would not be involved if a similar investment were made in Notes denominated and payable in such Noteholder's home currency. These risks include, without limitation, the possibility of significant changes in rates of exchange between the foreign currency and such Noteholder's home currency and imposition or modification of foreign exchange controls by either the jurisdiction of the Noteholder or foreign governments and such risks generally depend on economic and political events over which the Issuer has no control.

Country and Regional Risk

The price and value of any Charged Assets may be influenced by the political, financial and economic stability of the country and/or region in which an obligor of any Charged Assets is incorporated or has its business or of the country of the currency in which any Charged Assets are denominated. In certain cases, the price and value of assets originating from countries ordinarily not considered to be emerging markets countries may behave in a similar manner to those of assets originating from emerging markets countries.

Where the Issuer's securities are held outside of the United Kingdom (or, if different, outside of the jurisdiction in which the Issuer is established), different settlement, legal and regulatory requirements and different practices relating to the separate identification of those securities may apply which are different to those in the United Kingdom or the Issuer's jurisdiction (as the case may be). Accounts that contain the Issuer's securities may be subject to the law of other jurisdictions, including those outside of the United Kingdom and the EEA, and the Issuer's rights may be different from those that would apply were English law to be applicable.

Agent Risk

Every payment of principal or interest in respect of the Notes or any class (or Tranche) of Notes to or to the account of the relevant Paying Agent in the manner provided in the Agency Agreement relating to such Notes or class (or Tranche) of Notes shall operate in satisfaction *pro tanto* of the relative obligation of the Issuer in respect of such Notes or class (or Tranche) of Notes to pay such principal or interest, notwithstanding any default in the subsequent payment thereof by such Paying Agent to the holders of such Notes or class (or Tranche) of Notes. Any receipt by the Custodian of any proceeds in respect of the Charged Assets or any other assets forming part of the Collateral which are required to be applied to pay principal or interest in respect of the Notes or any class (or Tranche) of Notes shall operate in satisfaction *pro tanto* of the relative obligation of the Issuer in respect of such Notes or class (or Tranche) of Notes to pay such principal or interest, notwithstanding any default in the subsequent payment of such proceeds by the Custodian to the relevant Paying Agent.

Reliance on Creditworthiness of the Swap Counterparty

If a Charged Agreement comprises all or part of the Collateral in respect of a Series of Notes, the ability of the Issuer to meet its obligations under such Notes will be dependent upon, *inter alia*, its receipt of payments from the Swap Counterparty under the Charged Agreement. Consequently, the Noteholders and the Issuer are relying not only on the creditworthiness of the issuers or obligors in respect of the relevant Charged Assets, if any, but also on the full and timely performance by, and creditworthiness of, the Swap Counterparty in respect of its obligations under the Charged Agreement in respect of such Series.

If on the termination of the Charged Agreement an amount is payable by the Swap Counterparty to the Issuer (after taking into account any collateral posted between the parties pursuant to the terms of any credit support annex to the Charged Agreement), then the Issuer will have an unsecured claim against the Swap Counterparty for such amount and, in any insolvency of the Swap Counterparty, the Issuer's claim will rank after those of the Swap Counterparty's secured and other preferred creditors.

On the termination of the Charged Agreement other than as a result of the occurrence of an Event of Default, despite the requirement of delivery-versus-payment, if (a) the Issuer delivers equivalent credit support in respect of the Swap Counterparty's credit support balance under the credit support annex but the Swap Counterparty fails to pay the termination amount under the Charged Agreement or (b) the Issuer pays the termination amount due under the Charged Agreement in circumstances where the calculation of the Early Termination Amount is not required to reflect the Value on the Valuation Date of the Credit Support Balance (each as defined in the Charged Agreement) but the Swap Counterparty is required to and fails to deliver equivalent credit support in respect of the Issuer's credit support balance, as applicable, the Issuer will have an unsecured claim against the Swap Counterparty in respect of such amount or assets.

Anti-Money Laundering Legislation

The Issuer may be subject to legislation and regulations relating to corrupt and illegal payments and money laundering as well as laws, sanctions and restrictions relating to certain individuals and countries. If the Issuer were determined by the relevant authorities to be in violation of any such legislation or regulations, it could become subject to significant penalties, including in certain cases criminal penalties.

Any such violation could have a material and adverse effect on the timing and amount of payments made by the Issuer to Noteholders in respect of a Series of Notes.

Cayman Islands Anti-Money Laundering Legislation

Each of the Administrator and each Issuer is subject to the Anti-Money Laundering Regulations (2020 Revision) of the Cayman Islands (together with The Guidance Notes on the Prevention and Detection of Money Laundering and Terrorist Financing in the Cayman Islands (or equivalent legislation and guidance, as applicable), and each as amended and revised from time to time, "Cayman AML Regulations"). The Cayman AML Regulations apply to anyone conducting "relevant financial business" in or from the Cayman Islands intending to form a business relationship or carry out a one-off transaction. The Cayman AML Regulations require a financial service provider to maintain certain anti-money laundering procedures including those for the purposes of verifying the identity and source of funds of an "applicant for business"; e.g. an investor, as well as the identity of the beneficial owner/controller of the investor, where applicable. Except in certain circumstances, including where an entity is regulated by a recognised overseas regulatory authority and/or listed on a recognised stock exchange in an approved jurisdiction, each Issuer, or its agents will likely be required to verify each investor's identity and may be required to verify the source of the payment used by such investor in a manner similar to the obligations imposed under the laws of other major financial centres. Application of an identity verification exemption at the time of purchase of the Notes, Coupons, Receipts or Alternative Investments may nevertheless require verification of identity prior to payment of proceeds from the Notes, Coupons, Receipts or Alternative Investments. In addition, if any person in the Cayman Islands knows or suspects, or has reasonable grounds for knowing or suspecting that another person is engaged in criminal conduct or money laundering, or is involved with terrorism or terrorist financing and property, and the information for that knowledge or suspicion came to their attention in the course of business in the regulated sector, or other trade, profession, business or employment, the person will be required to report such knowledge or suspicion to (i) the Financial Reporting Authority of the Cayman Islands ("FRA"), pursuant to the Proceeds of Crime Act (2020 Revision) of the Cayman Islands ("PCA"), if the disclosure relates to criminal conduct or money laundering, or (ii) a police officer of the rank of constable or higher, or the FRA, pursuant to the Terrorism Act (2018 Revision) of the Cayman Islands ("Terrorism Act"), if the disclosure relates to involvement with terrorism or terrorist financing and property. If an Issuer was determined by the Cayman Islands authorities to be in violation of the PCA, the Terrorism Act or the Cayman AML Regulations, such Issuer could be subject to substantial criminal penalties and/or administrative fines. Each Issuer may be subject to similar restrictions in other jurisdictions. Such a violation could materially adversely affect the timing and amount of payments by such Issuer to the holders of the Notes, Coupons, Receipts or Alternative Investments.

Regulatory Bail-Ins

The EU Directive establishing a framework for the recovery and resolution of credit institutions and investment firms (the "**Bank Recovery and Resolution Directive**" or "**BRRD**") was published in the EU Official Journal on 12 June 2014. The BRRD was implemented with effect in all European Member States (including the United Kingdom) on 1 January 2015, with the exception of the bail-in powers which were implemented on 1 January 2016.

Potential investors should note that where the Swap Counterparty is established in the EU or the United Kingdom (which, for the avoidance of doubt, may include Barclays Bank PLC), such Swap Counterparty may be subject to recovery and resolution measures pursuant to the BRRD (an "**In-**

Scope Swap Counterparty"). These measures are intended to be used prior to the point at which any insolvency proceedings with respect to an In-Scope Swap Counterparty could have been initiated. Recovery and resolution measures available to a resolution authority (being a relevant regulator of the In-Scope Swap Counterparty) include the ability to modify contractual arrangements in certain circumstances, powers to suspend enforcement or termination rights that might be invoked as a result of the exercise of the resolution powers and powers for a resolution authority to disapply or modify laws (with possible retrospective effect). A resolution authority may also exercise the "bail-in tool" to enable it to recapitalise an institution in resolution by allocating losses to its shareholders and unsecured creditors (which potentially includes the Issuer) in a manner that is consistent with shareholders and creditors not receiving a less favourable treatment than they would have received in ordinary insolvency proceedings of the relevant entity (known as the "no creditor worse off" safeguard). The bail-in tool also includes the power to cancel a liability or modify the terms of contracts for the purposes of reducing or deferring the liabilities of the relevant entity under resolution and the power to convert a liability from one form or class to another.

The Issuer is not within scope of the BRRD because it is not a bank or investment firm or an affiliate of such. However the exercise of any resolution power by a resolution authority with respect to an In-Scope Swap Counterparty, including exercise of the bail-in tool, or any suggestion of any such exercise, could:

- (i) materially adversely affect the rights of Noteholders or the price or value of their investment in a Series Notes; and/or
- (ii) result in the cancellation or deferral of all, or a portion, of any amounts owed to the Issuer by an In-Scope Swap Counterparty under the applicable Charged Agreement; and/or
- (iii) impair the ability of the Issuer to satisfy its obligations under a Series of Notes; and/or
- (iv) lead to Noteholders losing some or all of the value of their investment in a Series of Notes.

A resolution authority is not required to provide any advance notice to the Issuer or to Noteholders of its decision to exercise any resolution power in relation to an In-Scope Swap Counterparty. Therefore, Noteholders may not be able to anticipate a potential exercise of any such powers nor the potential effect of any exercise of such powers on an In-Scope Swap Counterparty (and indirectly on the Issuer and a Series of Notes). The Issuer, the Trustee and the Noteholders may have only very limited rights to challenge and/or seek a suspension of any decision of a resolution authority to exercise its resolution powers or to have that decision reviewed by a judicial or administrative process or otherwise. Furthermore, even in circumstances where a claim for compensation is established under the "no creditor worse off" safeguard in accordance with a valuation performed after the resolution action has been taken, it is unlikely that such compensation would be equivalent to the full losses incurred by the Issuer (and indirectly by the Noteholders) in the resolution and there can be no assurance that the Issuer (and indirectly the Noteholders) would recover such compensation promptly.

Modification, waivers and the substitution of the Issuer

The Trustee may, in certain circumstances and without the consent of Noteholders, agree to:

- (i) any modification of any of the terms and conditions of a Series of Notes or any of the provisions of the Series Documents, or any other agreement or deed constituted or created by the Constituting Instrument, or in any other way, that in the opinion of the Trustee is of a formal, minor or technical nature, is made to correct a manifest error or proven error or is made as a result of any comments raised by any stock exchange or component authority in connection with an application to list or trade a Series of Notes;
- (ii) subject to limited exceptions, any other modification, and any waiver or authorisation of any breach or proposed breach of any of the terms and conditions of a Series of Notes or any provisions of the Series Documents, or any other agreement or deed constituted or created by the Constituting Instrument, or in any other way, that in the opinion of the Trustee is not materially prejudicial to the interests of Noteholders; and
- (iii) the substitution of another company as principal debtor under the Notes in place of the Issuer.

The Trustee may, in certain circumstances and without the consent of Noteholders, determine that any Event of Default or Potential Event of Default shall not be treated as such.

Optional Redemption

If a Charged Agreement comprises all or part of the Collateral in respect of a Series of Notes, such Notes may be subject to early redemption at the election of the Swap Counterparty as provided in the terms and conditions of the relevant Charged Agreement. Investors may be subject to reinvestment risk in such event. It is not possible to determine in advance whether such optional redemption will be exercised.

Provision of Information

None of the Issuer, any of the Programme Parties or any of their respective affiliates makes any representation as to the credit quality of any Swap Counterparty or any issuer or other obligor of a Charged Asset. Any of the foregoing persons may have acquired, or during the term of the Notes may acquire, non-public information with respect to any Swap Counterparty or any issuer or other obligor of a Charged Asset or any Reference Entity. None of such persons is under any obligation to make such information available to Noteholders.

Business Relationships

The Issuer, any of the Programme Parties and any of their respective affiliates may be affiliated to each other or have existing or future business relationships with each other or with any issuer or obligor of a Charged Asset (including, but not limited to, lending, depository, risk management, advisory and banking relationships), and will pursue actions and take steps that they deem or it deems necessary or appropriate to protect their or its interests arising therefrom without regard to the consequences for a Noteholder or the value of any Collateral or Notes. Furthermore, the Issuer, any of the Programme Parties and any of their respective affiliates may buy, sell or hold positions in Charged Assets and other obligations of, or act as investment or commercial bankers, advisers or fiduciaries to, or hold directorship and officer positions in, any obligor of a Charged Asset or any Swap Counterparty.

Conflicts of Interest

Various potential and actual conflicts of interest may arise between the interests of the holders of Notes, on the one hand, and any of the Issuer and the Programme Parties, on the other hand, as a result of the various businesses and activities of such persons, and none of such persons is required to resolve such conflicts of interest in favour of the holders of such Notes.

Such persons may deal in Charged Assets and other obligations and interests in and of the issuer or obligor thereof or any Swap Counterparty, may acquire or accept information from, make loans or otherwise extend credit to, and generally engage in any kind of commercial or investment banking or other business transactions with, any issuer or obligor of a Charged Asset or any Swap Counterparty or otherwise. In connection therewith, such persons may pursue such actions and take such steps as they each deem necessary or appropriate in their discretion to protect their respective interests, and in the same manner as if the Notes did not exist and, without regard as to whether such action or steps might have an adverse effect on the Notes, Collateral, or other obligations or interests of the issuers or obligors thereof or any holders of Notes.

Legality of Purchase

None of the Issuer, any of the Programme Parties or any of their respective affiliates has or assumes responsibility for the lawfulness of the acquisition of the Notes by a prospective purchaser of the 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.

Independent Review and Advice

Each prospective purchaser of Notes is responsible for making its own investment decision and its own independent investigation into and appraisal of the risks arising from an investment in the Notes as well as all risks associated with the issuers and/or obligors of any Charged Assets and any Swap Counterparty. Investors should ensure that they understand the nature and extent of their exposure to risk, that they have all requisite knowledge and experience in investment, financial and business matters and expertise (or access to professional advisers) to make their own legal, regulatory, tax, accounting and financial evaluation of the merits and risks of an investment in the Notes and to assess the suitability of such Notes in light of their own circumstances and financial condition.

Each prospective purchaser of Notes must determine, based on its own independent review and such professional advice (including, without limitation, tax, accounting, credit, legal and regulatory advice) as it deems appropriate under the circumstances, that its acquisition and holding of the Notes (i) is fully consistent with its (or if it is acquiring the Notes in a fiduciary capacity, the beneficiary's) financial needs, objectives and condition, (ii) complies and is fully consistent with all investment policies, guidelines and restrictions applicable to it (whether acquiring the Notes as principal or in a fiduciary capacity) and (iii) is a fit, proper and suitable investment for it (or if it is acquiring the Notes in a fiduciary capacity, for the beneficiary), notwithstanding the clear and substantial risks inherent in investing in or holding the Notes.

No Fiduciary Role

None of the Issuer, any of the Programme Parties or any of their respective affiliates is acting as an investment adviser, and none of them (other than the Trustee) assumes any fiduciary obligation, to any purchaser of Notes.

None of the Issuer or any of the Programme Parties assumes any responsibility for conducting or failing to conduct any investigation into the business, financial condition, prospects, creditworthiness, status and/or affairs of any issuer or obligor of any Charged Assets or the terms thereof or of any Swap Counterparty or the terms of the relevant Charged Agreement.

Investors may not rely on the views or advice of the Issuer, or any of the Programme Parties for any information in relation to any person other than such Issuer or Programme Party, respectively.

No Reliance

A prospective purchaser may not rely on the Issuer, any of the Programme Parties or any of their respective affiliates in connection with its determination as to the legality of its acquisition of the Notes or as to the other matters referred to above.

No Representations

None of the Issuer or any of the Programme Parties makes any representation or warranty, express or implied, in respect of any Charged Assets or any issuer or obligor of any Charged Assets or of any Swap Counterparty or in respect of the relevant Charged Agreement or in respect of any information contained in any documents prepared, provided or filed by or on behalf of any such issuer or obligor or in respect of such Charged Assets or of any Swap Counterparty or in respect of the relevant Charged Agreement with any exchange, governmental, supervisory or self regulatory authority or any other person.

Save as otherwise set out in any Series Memorandum, none of the Issuer or any of the Programme Parties makes any representation or warranty in respect of any Swap Counterparty (except that any

information set forth in a Series Memorandum relating to Barclays Bank PLC has been obtained from, and shall be the sole responsibility of, Barclays Bank PLC as the Swap Counterparty (if applicable)).

No Agency Relationship

The Swap Counterparty (if any) specified in respect of a Series of Notes will solely be acting as a contractual counterparty to the Issuer under the Charged Agreement. It is not, and will not be deemed to be acting as, the agent or trustee of the Issuer or the holders of any Notes in connection with the exercise of, or the failure to exercise, any of the rights or powers of the Swap Counterparty under the Charged Agreement or otherwise.

Volatility

The market value of the Notes (whether indicative or firm) will vary over time and may be significantly less than par (or even zero) in certain circumstances. The Notes may not trade at par or at all.

Enforcement of Legal Liabilities

The Issuer is incorporated in the Cayman Islands. The directors of the Issuer named in this Programme Memorandum reside outside the United States and all or substantially all of the assets of the Issuer are located outside the United States. It may not be possible to enforce, in original actions in the courts of the jurisdiction of incorporation of the Issuer, liabilities predicated solely on U.S. federal securities laws.

Legal Opinions

Whilst legal opinions relating to the issue of a Series of Notes may be obtained by the Arranger, the relevant Dealer and/or the Trustee with respect to English law and the laws of the jurisdiction of incorporation of the Issuer, it is not intended that opinions be obtained with respect to any other applicable laws, including the laws of the country of incorporation of the obligor(s) under the Charged Assets or any Swap Counterparty and which, depending on the circumstances, may affect *inter alia*, the effectiveness and ranking of the security for the Notes, or with respect to the validity, enforceability or binding nature of the relevant Charged Assets or any Charged Agreement. Prospective investors should also note that Noteholders will not be addressees of, and will not be able to rely on, any such legal opinions relating to the issue of a Series of Notes which are obtained by the Arranger, the relevant Dealer and/or the Trustee.

The Foreign Account Tax Compliance Act and Similar Information Exchange

Background

Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, and U.S. Treasury regulations promulgated thereunder that took effect on 28 January 2013, as amended from time to time (together, "**FATCA**") impose a new reporting regime and potentially a 30% withholding tax with respect to certain payments to (i) any non-U.S. financial institution (a "**foreign financial institution**" or "**FFI**" (as defined by FATCA)) that does not become a "**Participating FFI**" by entering into an agreement with the U.S. Internal Revenue Service ("**IRS**") to provide the IRS with certain information in respect of its accountholders and investors or is not otherwise exempt from or in deemed compliance with FATCA (for example pursuant to an IGA, as described below) and (ii) any investor (unless otherwise exempt from FATCA) that does not provide information sufficient to determine whether such investor is a U.S. person or should otherwise be treated as holding a "United States account" (as defined under FATCA) of the Issuer (a "**Recalcitrant Holder**").

FATCA withholding tax has been imposed from 1 July 2014 for certain payments of income from sources within the United States and is currently proposed to apply to "foreign passthru payments" (a term not yet defined) made by an FFI to a non-participating FFI or Recalcitrant Holder from a date not

earlier than the date two years after the date final regulations are published (which will now fall in 2021 at the earliest) ("**Passthru Payment Effective Date**") defining foreign passthru payments. This withholding would potentially apply to payments in respect of (i) any Notes issued or materially modified on or after the "grandfathering date", which is the date that is six months after the date on which final U.S. Treasury regulations defining the term "foreign passthru payment" are filed with the Federal Register; and (ii) any Notes characterised as equity or which do not have a fixed term for U.S. federal tax purposes, whenever issued. However, if additional Notes that are not distinguishable from previously issued Notes are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all such Notes, including those Notes issued prior to the expiration of the grandfathering period, as subject to withholding under FATCA, which may have negative consequences for the previously issued Notes, including a negative impact on market price.

The United States and a number of other jurisdictions have entered into or are treated as having in effect entered into intergovernmental agreements to facilitate the implementation of FATCA (each, an "**IGA**"). In some cases such IGAs have been signed; in other cases, negotiations are still ongoing. Pursuant to FATCA and the "Model 1" and "Model 2" IGAs released by the United States, most FFIs in an IGA signatory country should be treated as a "**Reporting Financial Institution**" or "**Reporting FI**" (as defined in the IGA) that would generally not be subject to withholding under FATCA on any payments it receives. Further, an FFI in a Model 1 IGA jurisdiction generally would not be required to withhold under FATCA or an IGA (or any law implementing an IGA or agreement with the IRS relating to FATCA) (any such withholding being a "**FATCA Withholding**") from payments it makes (unless, in certain circumstances, it has agreed to do so under the U.S. "qualified intermediary," "withholding foreign partnership," or "withholding foreign trust" regimes or, in certain limited circumstances, where the payments are made to a Recalcitrant Holder). The Model 2 IGA requires Reporting FIs to apply FATCA Withholding to U.S. source payments in certain circumstances and leaves open the possibility that a Reporting FI might in the future be required to make FATCA Withholdings on foreign passthru payments. Under each Model IGA, a Reporting FI would still be required to report certain information in respect of certain of its account holders and their accounts to its home government or to the IRS unless it is treated as exempt from having "financial accounts" for FATCA purposes.

The Cayman Islands have entered into an IGA largely based on the Model 1 IGA with the United States (the "**Cayman/US IGA**"). The Cayman Islands have also signed, along with over 100 other countries, a multilateral competent authority agreement to implement the OECD Standard for Automatic Exchange of Financial Account Information – Common Reporting Standard (the "**CRS**" and, together with the Cayman/US IGA, "**AEOI**").

Cayman Islands regulations have been issued to give effect to the Cayman/US IGA and CRS (collectively, the "**AEOI Regulations**"). Pursuant to the AEOI Regulations, the Cayman Islands Tax Information Authority (the "**TIA**") has published guidance notes on the application of the Cayman/US IGAs and CRS.

All Cayman Islands "Financial Institutions" (including the Issuer) are required to comply with the registration, due diligence and reporting requirements of the AEOI Regulations, unless the Issuer is able to rely on an exemption that permits it to be treated as a "Non-Reporting Financial Institution" (as defined in the relevant AEOI Regulations) with respect to one or more of the AEOI regimes, in which case only the registration requirement would apply under CRS.

Each of ARLO II Limited, ARLO XII Limited and ARLO XIV Limited (each, a "**Reporting Issuer**") is not relying on any Non-Reporting Financial Institution exemption in each of the AEOI Regulations and therefore intends to comply with all of the requirements of the AEOI Regulations as a "Reporting Financial Institution".

The AEOI Regulations require each Reporting Issuer to, amongst other things, (i) register with the IRS to obtain a Global Intermediary Identification Number (in the context of the Cayman/US IGA only), (ii) register with the TIA, and thereby notify the TIA of its status as a "Reporting Financial Institution", (iii) adopt and implement written policies and procedures setting out how it will address its obligations

under CRS, (iv) conduct due diligence on its accounts to identify whether any such accounts are considered "Reportable Accounts", and (v) report information on such Reportable Accounts to the TIA. The TIA will transmit such information to the applicable overseas fiscal authorities. Each Reporting Issuer has registered with the IRS (with the following Global Intermediary Identification Numbers: ARLO II Limited - WYTYFQ.99999.SL.136 and ARLO XII Limited – WQMIIQ.99999.SL.136 and ARLO XIV Limited – U23VZM.99999.SL.136) and with the TIA. Under the terms of the Cayman/US IGA, withholding will not be imposed on payments made to a Reporting Issuer unless the IRS has specifically listed the Reporting Issuer as a non-participating financial institution, or on payments made by a Reporting Issuer to the holders of the Notes unless the Reporting Issuer has otherwise assumed responsibility for withholding under United States tax law.

The United States and Japan entered into an agreement (the "**US/Japan IGA**") on 11 June 2013 based largely on the Model 2 IGA. On that basis, ARLO XIV Limited, where it is acting through its branch in Japan ("**ARLO XIV Limited, Japan Branch**") is required to comply with FATCA under Japanese national legislation implementing the US/Japan IGA. ARLO XIV Limited, Japan Branch has registered with the IRS as a Reporting FI with registration number U23VZM.99999.BR.392.

Impact on payments on Charged Assets and Charged Agreement (if any).

If the Issuer fails to comply with its obligations (if any) under the Cayman/US IGA (or the US/Japan IGA, in the case of ARLO XIV Limited, Japan Branch), the Issuer may (from the Passthru Payment Effective Date) be subject to 30 per cent. withholding tax on all, or a portion of, payments of certain income received from U.S. sources and from participating FFIs in jurisdictions which have not signed an IGA.

This might result in payments to the Issuer in respect of the assets of the Issuer, which includes the Charged Assets and the Charged Agreement (if any), being subject to FATCA withholding. Any such withholding would, in turn, result in the Issuer having insufficient funds from which to make payments that would otherwise have become due in respect of the Notes and/or the Charged Agreement (if any) with respect to a Series. No other funds will be available to the Issuer to make up for any such shortfall. If the Issuer suffers or may suffer such withholding, the Notes may be redeemed early, if provided for in the Conditions of the Notes.

No assurance can be given that the Issuer will be able to comply with any laws of the Cayman Islands enacted to facilitate the implementation of FATCA under the Cayman/US IGA or, in the case of ARLO XIV Limited, Japan Branch, under the US/Japan IGA.

Tax could be withheld from any proceeds of the sale of any Charged Assets, which would reduce the funds available to pay amounts to holders of the relevant Notes.

Impact on payments on the Notes

The Issuer (whether acting directly, or, in the case of ARLO XIV Limited, through its branch in Japan) is currently not expected to be required to make any FATCA Withholdings (if applicable) before the Passthru Payment Effective Date from the payments it makes.

There can be no assurance, however, that the relevant Issuer will be treated, in the case of a Non-Reporting Issuer, as a "Non-Reporting Financial Institution" or, in the case of a Reporting Issuer, as a "Reporting Financial Institution" (in each case, as defined in the Cayman/US IGA), or, in the case of ARLO XIV Limited, Japan Branch, as a Reporting FI (for the purposes of the US/Japan IGA), and, in any such case, that it would in the future not be required to deduct FATCA Withholding from payments it makes.

Accordingly, the Issuer (whether acting directly, or, in the case of ARLO XIV Limited, through its branch in Japan) and any financial institutions through which payments on the Notes are made may be required to withhold FATCA Withholding if (i) any FFI through or to which payment on such Notes

is made is not a Participating FFI, a Reporting FI, or otherwise exempt from or in deemed compliance with FATCA or (ii) an investor is a Recalcitrant Holder.

If a FATCA Withholding were to be made from interest, principal or other payments made in respect of the Notes, neither the Issuer nor any paying agent nor any other person would, pursuant to the Conditions of the Notes, be required to pay any additional amounts as a result of the FATCA Withholding. As a result, investors may receive less interest or principal than expected.

In the case of Notes which are in global form and held within a clearing system, it is expected that FATCA will not affect the amount of any payments made under, or in respect of, the Notes by the Issuer or any paying agent and the common depository for such clearing system, given that each of the entities in the payment chain between the Issuer and the participants in the clearing system is a major financial institution whose business is dependent on compliance with FATCA and that any alternative approach introduced under an IGA will be unlikely to affect the Notes. Notes may be issued in definitive form and therefore not held, or may be exchanged for Notes in definitive form and therefore may cease to be held, through a clearing system. If this were to happen, then, depending on the circumstances, payments to a non-FATCA compliant holder could be subject to FATCA Withholding.

However, FATCA may affect payments made to custodians or intermediaries in the subsequent payment chain leading to the ultimate investor if any such custodian or intermediary generally is unable to receive payments free of FATCA Withholding. It may also affect payment to any ultimate investor that is a financial institution that is not entitled to receive payments free of withholding under FATCA, or an ultimate investor that fails to provide its broker (or other custodian or intermediary from which it receives payment) with any information, forms, other documentation or consents that may be necessary for the payments to be made free of FATCA Withholding. Investors should choose their custodians or intermediaries with care (to ensure that each is compliant with FATCA or other laws or agreements related to FATCA, including any legislation implementing IGAs relating to FATCA, if applicable), and provide each custodian or intermediary with any information, forms and/or other documentation or consents that may be necessary for such custodian or intermediary to make a payment free of FATCA Withholding. Investors should consult their own tax adviser to obtain a more detailed explanation of FATCA and how FATCA may affect them. The Issuer's obligations under the Notes are discharged once it has paid the depository for the clearing system (as legal owner of the Notes) and the Issuer has therefore no responsibility for any amount thereafter transmitted through the clearing systems and custodians or intermediaries.

It should be noted that a number of jurisdictions are co-operating to develop and secure intergovernmental agreements for the automatic cross-border exchange of tax information on a bilateral or multilateral basis, similar to the IGAs under FATCA. If such agreements are in future entered into and implemented, the Issuer may be required to report information, similar in nature to the information required to be reported under FATCA and Cayman Islands legislation implementing the Cayman/US IGA, to the relevant tax authorities to avoid the imposition of financial penalties or other sanctions on the Issuer.

THE FATCA PROVISIONS ARE PARTICULARLY COMPLEX. THE ABOVE DESCRIPTION IS BASED IN PART ON REGULATIONS, OFFICIAL GUIDANCE AND MODEL IGAS, ALL OF WHICH ARE SUBJECT TO CHANGE. NOTHING IN THIS SECTION CONSTITUTES OR PURPORTS TO CONSTITUTE TAX ADVICE AND NOTEHOLDERS ARE NOT ENTITLED TO RELY ON ANY PROVISION SET OUT IN THIS SECTION FOR THE PURPOSES OF MAKING ANY INVESTMENT DECISION, TAX DECISION OR OTHERWISE. EACH INVESTOR SHOULD CONSULT ITS OWN TAX ADVISER TO OBTAIN A MORE DETAILED EXPLANATION OF THE FATCA PROVISIONS AND TO LEARN HOW THIS LEGISLATION MIGHT AFFECT IT IN ITS PARTICULAR CIRCUMSTANCES.

RISKS RELATED TO THE BANKING ACT 2009

Under the Banking Act 2009 (the "**Banking Act**"), substantial powers have been granted to HM Treasury, the Bank of England (including the UK Prudential Regulation Authority (the "**PRA**")) and the

U.K. Financial Conduct Authority (the "**FCA**" and, together with HM Treasury, the Bank of England and the PRA, the "**Authorities**") as part of a special resolution regime (the "**SRR**"). These powers enable the Authorities to deal with a U.K. bank, building society or other U.K. institution with permission to accept deposits pursuant to Part IV of the FSMA (each, a "**relevant entity**") in circumstances in which the Authorities consider its failure has become highly likely and a threat is posed to the public interest. The SRR consists of three stabilisation options and two insolvency and administration procedures applicable to a relevant entity which may be commenced by the Authorities. The stabilisation options provide for: (i) private sector transfer of all or part of the business of the relevant entity; (ii) transfer of all or part of the business of the relevant entity to a "bridge bank" established by the Bank of England; and (iii) temporary public ownership (nationalisation) of the relevant entity. In each case, the Authorities have been granted wide powers under the Banking Act including powers to modify contractual arrangements in certain circumstances and powers for HM Treasury to disapply or modify laws (with possible retrospective effect) to enable the powers under the Banking Act to be used effectively. The following paragraphs set out some of the possible consequences of the exercise of those powers under the SRR.

The SRR may be triggered prior to insolvency of the Swap Counterparty

The purpose of the stabilising options is to address the situation where all or part of a business of a relevant entity has encountered, or is likely to encounter, financial difficulties, giving rise to wider public interest concerns. Accordingly, the stabilisation options may only be exercised if (i) the FCA is satisfied that a relevant entity (such as the Issuer) is failing, or is likely to fail, to satisfy the threshold conditions within the meaning of section 41 of the FSMA (which are the conditions that a relevant entity must satisfy in order to retain its authorisation to accept deposits), (ii) following consultation with the other Authorities, the FCA determines that it is not reasonably likely that (ignoring the stabilising options) action will be taken that will enable the relevant entity to satisfy those threshold conditions and (iii) the Authorities consider the exercise of the stabilisation options to be necessary, having regard to certain public interest considerations (such as the stability of the U.K. financial system, public confidence in the U.K. banking system and the protection of depositors). It is therefore possible that one of the stabilisation options could be exercised prior to the point at which any insolvency proceedings with respect to the relevant entity could be initiated.

Various actions may be taken in relation to the Notes without the consent of the Issuer and/or Noteholders

If the Swap Counterparty is a banking entity incorporated in the United Kingdom and was made subject to the SRR, HM Treasury or the Bank of England may exercise extensive share transfer powers (applying to a wide range of securities) and property transfer powers (including powers for partial transfers of property, rights and liabilities) in respect of the Swap Counterparty. Exercise of these powers could involve taking various actions in relation to the Charged Agreement without the consent of the Issuer or Trustee, including (among other things): (i) extinguishing any rights to acquire securities of the Issuer; and (ii) modifying or disapplying certain terms of the Charged Agreement, including disregarding any termination or acceleration rights or events of default under the terms of such agreements and a Series of Notes (if applicable) which would be triggered by the transfer and certain related events.

There can be no assurance that the taking of any such actions would not adversely affect the rights of Noteholders in respect of a Series of Notes, the price or value of their investment in such Notes and/or the ability of the Issuer to satisfy its obligations under such Notes. In such circumstances, the Issuer may have a claim for compensation under one of the compensation schemes existing under, or contemplated by, the Banking Act, but there can be no assurance that the Issuer would thereby recover compensation promptly or equal to any loss actually incurred.

A partial transfer of the business of the Swap Counterparty may result in a deterioration of its creditworthiness

If the Swap Counterparty is a banking entity incorporated in the United Kingdom and was made subject to the SRR and a partial transfer of its business to another entity were effected, the quality of the assets and the quantum of the liabilities not transferred and remaining with the Swap Counterparty (which may include the Charged Assets transferred under the Charged Agreement) may result in a deterioration in the creditworthiness of the Swap Counterparty and, as a result, increase the risk that it may be unable to meet its obligations in respect of the Charged Agreement and eventually become subject to administration or insolvency proceedings pursuant to the Banking Act. In such circumstances, the Issuer may have a claim for compensation under one of the compensation schemes existing under, or contemplated by, the Banking Act, but there can be no assurance that the Issuer would thereby recover compensation promptly or equal to any loss actually incurred.

European Market Infrastructure Regulation

Regulation (EU) No 648/2012 of the European Parliament and Council on OTC Derivatives, Central Counterparties and Trade Repositories dated 4 July 2012 ("**EMIR**") came into force on 16 August 2012. EMIR and the regulations made under it imposes certain obligations on parties to OTC derivative contracts according to whether they are "financial counterparties", such as European investment firms, alternative investment funds, credit institutions and insurance companies, or other entities which are "non-financial counterparties" or third country entities equivalent to "financial counterparties" or "non-financial counterparties". EMIR establishes certain requirements for OTC derivatives contracts including mandatory clearing obligations, bilateral risk-management requirements and reporting requirements. These requirements are subject to phased implementation. Investors should be aware that certain currently applicable requirements of EMIR impose obligations on the Issuer, to the extent it enters into derivative transactions, and future requirements of EMIR may impose further obligations on the Issuer, directly, or indirectly, by impacting on the terms that the Swap Counterparty is able to enter into under agreements with the Issuer.

In particular, under EMIR certain over-the-counter ("**OTC**") derivatives that are traded in the European Union by financial counterparties and certain non-financial counterparties have to be cleared via an authorised central clearing counterparty ("**CCP**"). Investors should be aware the Issuer or the Swap Counterparty will disclose the details of any derivative transaction into which the Issuer enters to a "trade repository" and/or to regulatory authorities as a consequence of the requirements of the trade reporting obligation under EMIR and/or UK EMIR (as applicable). EMIR also introduces certain risk mitigation requirements in relation to OTC derivative contracts that are not cleared by a CCP.

Following the entry into force of the Commission Delegated Regulation 2016/2251 supplementing EMIR, with regard to regulatory technical standards for risk-mitigation techniques for OTC derivative contracts not cleared by a central counterparty (the "**Margin RTS**"), financial counterparties and certain non-financial counterparties have an obligation to protect themselves against credit exposures to derivatives counterparties by collecting margins where those contracts are not cleared by a CCP. This Margin RTS lays out the standards for the timely, accurate and appropriately segregated exchange of collateral. These requirements to post and/or collect variation margin have become applicable to financial counterparties and certain non-financial counterparties on 4 February 2017 or 1 March 2017 (depending on the aggregated gross notional amount of outstanding derivative contracts of the group to which the counterparties belong) and the requirements to post and / or collect initial margin enter into force at a date determined in accordance with the Margin RTS from 4 February 2017 to 1 September 2020 (depending on the aggregated gross notional amount of outstanding derivative contracts of the group to which the counterparties belong).

Investors should be aware that should any future obligation of EMIR that require the Issuer to modify the economic terms of any derivative transaction into which it enters, there is a risk that this may materially increase the costs associated with such derivative transaction or replacement derivative transaction. While at this stage the Issuer is not subject to the margining requirements or clearing requirements, it is not possible to conclude with certainty whether the Issuer will be or become subject to such requirements or obligations in the future. However, irrespective of becoming subject to such requirements or obligations, and irrespective of it becoming necessary to amend or replace derivative

transactions into which the Issuer enters, the Issuer may in any event have to bear certain costs or fees arising out of steps it is required to take to comply with the requirements of EMIR.

Investors should be aware of the risk that the requirements of EMIR may result in the Notes being redeemed early at their Early Redemption Amount in the circumstances set out in Condition 7. The Issuer has entered into an agreement with the Swap Counterparty, which does not amend or modify the terms of any Notes, in order to facilitate compliance with EMIR, and investors should be aware that the Issuer may enter into further agreements with the Swap Counterparty or third parties for such purposes without Trustee consent or, alternatively, that the Trustee may (in accordance with the Conditions of the Notes) consent to such agreements without Noteholder consent.

Similar provisions have been and continue to be in the process of being implemented in other countries, so if the Issuer enters into a swap or other derivative contract with an entity in such countries (or even in some cases a branch or a European Union subsidiary of an entity in such countries) then additional requirements might be imposed. For example, within the United Kingdom following its withdrawal from the European Union on 31 December 2020, a United Kingdom version of EMIR ("**UK EMIR**") has been created pursuant to the EUWA.

The full impact of EMIR, UK EMIR, and those similar regimes in other countries continues to be clarified. Potential investors in the Notes or Alternative Investments should take independent advice and make an independent assessment about such risks in the context of any potential investment decision with respect to the Notes or Alternative Investments.

Alternative Investment Fund Managers Directive

EU Directive 2011/61/EU on Alternative Investment Fund Managers ("**AIFMD**") came into force on 21 July 2011 and the requirements thereunder were broadly implemented into the national laws of the Member States of the European Union by 22 July 2013.

AIFMD provides, amongst other things, that any alternative investment fund ("**AIF**") must have a designated alternative investment fund manager ("**AIFM**") with responsibility for portfolio and risk management. The application of the AIFMD to special purpose entities such as the Issuer is unclear. The Issuer does not operate in the same manner as a typical alternative investment fund. The Issuer has been established solely for the purposes of issuing securities, bonds, notes, debt or entering into loan agreements or other similar agreements and related agreements. However, the definition of AIF and AIFM are broad and there is only limited guidance as to how such definition should be applied in the context of a special purpose vehicle.

Were the Issuer to be found to be an AIF or an AIFM, or were Barclays Bank PLC found to be managing or marketing an AIF, the AIFM would be subject to AIFMD. Owing to the nature of the Issuer as a special purpose vehicle, it would be unlikely that the AIFM could comply fully with the requirements of the AIFMD.

Investors should therefore be aware of the risk that the requirements of AIFMD may result in the Notes being redeemed early at their Early Redemption Amount in the circumstances set out in Condition 7.

Given the material and presently unknown extent of the risks which may affect the Notes or Alternative Investments as a consequence of the implementation of AIFMD, potential investors in the Notes or Alternative Investments should take independent advice and make an independent assessment about such risks in the context of any potential investment decision with respect to the Notes or Alternative Investments.

No assurance can be given as to how the European Securities and Markets Authority, or national regulators might, in the future, interpret the AIFMD or whether any such interpretation might find the Issuer to be an AIF or an AIFM, or find the Arranger acting in any capacity in respect of a Series of Notes and/or the Trustee to be acting as an AIFM with respect to the Issuer.

Dodd-Frank

Title VII of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "**Dodd-Frank Act**") establishes a comprehensive U.S. regulatory regime for a broad range of derivatives contracts (referred to herein as "**Covered Swaps**"). Among other things, Title VII provides the CFTC and the U.S. Securities and Exchange Commission (the "**SEC**") with jurisdiction and regulatory authority over many different types of derivatives, requires the establishment of a comprehensive registration and regulatory framework applicable to covered swap dealers and other major market participants, requires many types of Covered Swaps to be exchange-traded or executed on swap execution facilities and centrally cleared, and contemplates the imposition of capital requirements and margin requirements for uncleared transactions in Covered Swaps. Title VII has not yet been fully implemented. As a result, a complete assessment of the exact nature and effects of Title VII and the rules to be adopted thereunder cannot be made at this time.

There remains considerable uncertainty in respect of the extraterritorial scope of the CFTC's regulations. Accordingly, there is no assurance that the Charged Agreement would not be treated as a Covered Swap under the Dodd-Frank Act nor is there assurance that the Issuer or the Swap Counterparty would not be required to comply with additional regulation under the CEA including by the Dodd-Frank Act.

Were the Charged Agreement to be treated as a Covered Swap, the Issuer or the Swap Counterparty might be subject to increased regulatory requirements. Such additional regulations and such registrations might result in increased reporting obligations and expenses. In addition, it might become illegal for the Swap Counterparty to perform its obligations under the Charged Agreement.

Investors should therefore be aware of the risk that the requirements of the Dodd-Frank Act may result in the Notes being redeemed early at their Early Redemption Amount in the circumstances set out in Condition 7.

Section 619 of the Dodd-Frank Act, known as the "Volcker Rule", and its final implementing regulations restrict the ability of a banking entity to engage in proprietary trading or to acquire or retain an ownership interest in, sponsor, or engage in certain transactions with certain private funds (referred to herein as "**Covered Funds**"). The Volcker Rule became effective on 21 July 2012, and the final regulations became effective on 1 April 2014.

Under the Volcker Rule, even if an exception allows a banking entity to sponsor or invest in a Covered Fund, the banking entity may be prohibited from entering into certain "covered transactions" with that Covered Fund. Covered transactions include (among other things) entering into a swap transaction if the swap would result in a credit exposure to the covered fund.

If the Issuer is considered a Covered Fund and if any affiliate of the Swap Counterparty is deemed to be a "sponsor" of the Issuer, the Swap Counterparty could be prohibited from entering into the Charged Agreement with the Issuer, which could have material adverse effects on a Series of Note. In such circumstance Investors should therefore be aware of the risk that the Notes may be redeemed early at their Early Redemption Amount in the circumstances set out in Condition 7.

Commodity pool regulations

The CFTC has rescinded the rule which formerly provided an exemption from registration as a "commodity pool operator" (a "**CPO**") and a "commodity trading advisor" ("**CTA**") under the CEA, in respect of certain transactions. In addition, the Dodd-Frank Act expanded the definition of a "commodity pool" to include any form of enterprise operated for the purpose of trading in commodity interests, including swaps. However, if the Issuer were deemed to be a "commodity pool", then both the CPO and the CTA of the Issuer would be required to register as such with the CFTC and the National Futures Association by the initial offering date relating to the issue of a Series of Notes. While there remain certain limited exemptions from registration, it is unclear whether and to what extent any of these exemptions would be available to avoid registration with respect to the Issuer. In addition, if

the Issuer were deemed to be a "commodity pool", it would have to comply with a number of reporting requirements that are designed to apply to traded commodity pools. It is presently unclear how a special purpose entity such as the Issuer could comply with certain of these reporting requirements on an ongoing basis. Such registration and other requirements would involve material ongoing costs to the Issuer. In addition, if the Issuer were deemed to be a "commodity pool" this might have adverse consequences for the Swap Counterparty and/or Arranger, or for the Trustee. In such circumstance Investors should therefore be aware of the risk that the Notes may be redeemed early at their Early Redemption Amount in the circumstances set out in Condition 7.

Reform of LIBOR and EURIBOR and other "Benchmarks"

The London Interbank Offered Rate ("**LIBOR**"), the Euro Interbank Offered Rate ("**EURIBOR**") and other indices including commodity indices which are deemed "benchmarks" are the subject of recent national, international and other regulatory guidance as well as proposals for reform. Some of these reforms are already effective while others are still to be implemented. These reforms may cause such "benchmarks" to perform differently than in the past, or to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Notes linked to a "benchmark."

Global regulators have indicated that they will not compel financial institutions to submit rates for the calculation of the LIBOR benchmark after 2021, or in respect of certain IBORs, 2023.

Key international proposals for reform of "benchmarks" include IOSCO's Principles for Financial Market Benchmarks (July 2013) (the "**IOSCO Benchmark Principles**") and the European Commission's Proposal for a Regulation of the European Parliament and of the Council on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (December 2015) (the "**Benchmark Regulation**").

The IOSCO Benchmark Principles aim to create an overarching framework of principles for benchmarks to be used in financial markets, specifically covering governance and accountability, as well as the quality and transparency of benchmark design and methodologies. A review published in February 2015 on the status of the voluntary market adoption of the IOSCO Benchmark Principles noted that, as the benchmarks industry is in a state of change, further steps may need to be taken by IOSCO in the future, but that it is too early to determine what those steps should be. The review noted that there has been a significant market reaction to the publication of the IOSCO Benchmark Principles, and widespread efforts being made to implement the IOSCO Benchmark Principles by the majority of administrators surveyed.

On 24 November 2015, the European Commission announced that the European Parliament and the Council of the EU had reached agreement on a compromise text of the Benchmark Regulation. Following the formal adoption of the Benchmark Regulation by the European Parliament on 28 April 2016 and by the Council of the EU on 17 May 2016, the Benchmark Regulation was published in the Official Journal of the EU on 29 June 2016. The Benchmark Regulation entered into force on 30 June 2016 and is applicable from 1 January 2018.

From 1 January 2021, the United Kingdom will be a third country for the purposes of the EEA BMR and the Benchmark Regulation has been on-shored into by virtue of the EUWA (the "**UK BMR**").

The Benchmark Regulation and UK BMR applies to "contributors," "administrators" and "users of" "benchmarks" in the EU and the United Kingdom (as applicable), and, among other things, (i) requires benchmark administrators to be authorised (or, in respect of the Benchmark Regulation, if non-EU-based, to be subject to an equivalent regulatory regime such as UK BMR) and to comply with extensive requirements in relation to the administration of "benchmarks" and (ii) prohibits the use in the EU and/or United Kingdom (as applicable) of "benchmarks" provided by unauthorised administrators. The scope of the Benchmark Regulation is wide and, in addition to so-called "critical

benchmark" indices such as LIBOR, EURIBOR and the Euro Overnight Index Average ("**EONIA**"), could also potentially apply to many other interest rate indices, as well as other indices (including "proprietary" indices or strategies) which are referenced in listed financial instruments (including listed Notes), financial contracts and investment funds.

The Benchmark Regulation and UK BMR (as applicable) could also have a material impact on any Notes linked to a "benchmark" index, including in any of the following circumstances:

- (i) occurrence of an Administrator/Benchmark Event (see the risk factor headed "Consequences of the occurrence of an Administrator/Benchmark Event" below);
- (ii) an index which is a "benchmark" could be prohibited from being used in the EU and/or the United Kingdom (as applicable) if its administrator is based in the EU and/or United Kingdom (as applicable) and does not obtain authorisation or is based outside of the EU and/or United Kingdom (as applicable) (subject to any applicable transitional provisions) and does not have equivalent regulation. In such event, depending on the particular "benchmark" and the applicable terms of the Notes, the Notes could be de-listed, adjusted, redeemed or otherwise impacted; and
- (iii) the methodology or other terms of the "benchmark" could be changed in order to comply with the terms of the Benchmark Regulation, and such changes could have the effect of reducing or increasing the rate or level or affecting the volatility of the published rate or level, and could lead to adjustments to the terms of the Notes, including calculation agent determination of the rate or level in its discretion.

In addition to the international proposals for reform of "benchmarks" described above, there are numerous other proposals, initiatives and investigations which may impact "benchmarks".

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 participate in certain "benchmarks," trigger changes in the rules or methodologies used in certain "benchmarks" or lead to the disappearance of certain "benchmarks." The disappearance of a "benchmark" or changes in the manner of administration of a "benchmark" could result in adjustment to the terms and conditions, early redemption, discretionary valuation by the calculation agent, delisting or other consequence in relation to Notes linked to such "benchmark." Any such consequence could have a material adverse effect on the value of and return on any such Notes.

Consequences of the occurrence of an Administrator/Benchmark Event

If the Interest Calculation Agent determines that an Administrator/Benchmark Event has occurred in respect of a Relevant Benchmark which the Series of Notes, Charged Agreement (if any) or Charged Assets (excluding any Eligible Credit Support and/or Equivalent Credit Support (each as defined in the Charged Agreement (if any)) reference, then the Interest Calculation Agent shall be entitled (in its sole and absolute discretion) to attempt to identify one or more Replacement Benchmark Remedial Actions (which may include selecting a Replacement Benchmark, adjusting the spread applicable to a Relevant Benchmark and/or amending the terms of the Series of Notes, the Charged Agreement (if any) and/or other Series Documents). When taking Replacement Benchmark Remedial Actions, the Interest Calculation Agent will seek to provide that changes have the effect of substantially preserving as closely as reasonably practicable the economic effect to the Noteholders of such Series of Notes and/or the Swap Counterparty (if any), as applicable. In making such a determination, the Interest Calculation Agent may face a conflict of interest between the interests of the Noteholders of such Series of Notes and the interests of the Swap Counterparty (if any). In such circumstances, the Interest Calculation Agent shall not be obliged to act solely in the interests of the Noteholders.

Investors should be aware that the application of any Replacement Benchmark Remedial Actions (I) could result in a lower amount being payable to Noteholders than would otherwise have been the case and (II) shall be effected without requiring the consent of the Trustee or Noteholders.

In certain circumstances, the Interest Calculation Agent may be unable or elect not to determine any Replacement Benchmark Remedial Actions. If after 30 calendar days (or such shorter period specified in the Constituting Instrument and/or determined by the Interest Calculation Agent as necessary to ensure compliance with all applicable laws, regulations and licensing requirements) from the date the Interest Calculation Agent notified the Transaction Parties of an Administrator/Benchmark Event or such shorter period (as more particularly described in the Series of Notes) the Interest Calculation Agent has not undertaken one or more Replacement Benchmark Remedial Actions, an Administrator/Benchmark Early Redemption Event shall automatically occur without any further action from any parties and such Series of Notes shall be redeemed (in the manner more particularly described in the Series of Notes) and the Issuer will pay or deliver, as applicable, to the Noteholders the applicable Early Redemption Amount(s) in respect of such Series of Notes.

None of the Trustee, the Issuer, any Agent, the Arranger, the Dealer or the Swap Counterparty shall have any liability or responsibility to any Noteholder for (i) any consequence or effect on a Series of Notes (including with respect to their value and/or return) arising as a result of any delay in determining any Replacement Benchmark Remedial Actions, (ii) any loss suffered or incurred by any Noteholder as a result of the implementation of any Replacement Benchmark Remedial Actions or any Replacement Benchmark Remedial Actions not being determined and such Series of Notes redeeming early as a result thereof, and/or (iii) any other consequence or effect on such Series of Notes (including with respect to their value and/or return) arising as a result of the non-exercise of discretion by the Interest Calculation Agent to serve of an Administrator/Benchmark Notification, the implementation of any Replacement Benchmark Remedial Actions or any Replacement Benchmark Remedial Actions not being determined and the Notes redeeming early as a result thereof.

The United Kingdom's departure from the European Union

The United Kingdom held a referendum on 23 June 2016 in which a majority voted to exit the European Union ("Brexit") and the UK Government invoked article 50 of the Lisbon Treaty relating to the lapsed withdrawal date of 29 March 2017. Under article 50, the Treaty on the European Union and the Treaty on the Functioning of the European Union cease to apply in the relevant state from the date of entry into force of a withdrawal agreement, or, failing that, two years after the notification of intention to withdraw, although this period was extended in the case of the United Kingdom's withdrawal. The United Kingdom left the European Union on 31 January 2020 and entered into a transitional period beginning on 1 February 2020 and ending on 31 December 2020. On 24 December 2020, the United Kingdom entered into an agreement with the European Union to retain access to European Union markets following 31 December 2020 (the "Brexit Deal"). The effects of Brexit will depend on how the Brexit Deal and/or any other agreements of a similar nature which may be entered into between the United Kingdom and the European Union will be implemented. Brexit could adversely affect European or worldwide economic, market conditions and could contribute to instability in global financial and foreign exchange markets, including volatility in the value of the pound sterling or the euro. In addition, Brexit could lead to legal uncertainty and potentially divergent national laws and regulations as the United Kingdom determines which European Union laws to replace or replicate. Any of these effects of Brexit, and others which cannot be anticipated, could adversely affect the business, results of operations, financial condition and cash flows of parties to a Series of Notes or Alternative Investments, and could negatively impact the value and economic performance of such Notes or Alternative Investments.

INVESTOR SUITABILITY

The purchase of, or investment in, any Notes or the making of Alternative Investments involves substantial risks. Each prospective purchaser of, or investor in, Notes or party to Alternative Investments should be familiar with instruments having characteristics similar to Notes or Alternative Investments and should fully review all documentation for and understand the terms of Notes or Alternative Investments and the nature and extent of its exposure to risk of loss.

Before making an investment decision, prospective purchasers of, or investors in, Notes or parties to Alternative Investments should conduct such independent investigation and analysis regarding the Issuer, such Notes or Alternative Investments, the Collateral, each Swap Counterparty under a Charged Agreement and all other relevant persons and such market and economic factors as they deem appropriate to evaluate the merits and risks of an investment in such Notes or the making of the Alternative Investment. However as part of such independent investigation and analysis, prospective purchasers of or investors in Notes or parties to Alternative Investments should consider carefully all the information set forth in this Programme Memorandum relating to the Programme and the Issuer (including the section of this Programme Memorandum headed "Risk Factors") and the applicable Series Memorandum and the considerations set out below.

Investment in Notes and entering into Alternative Investments is only suitable for investors who:

- (1) have the requisite knowledge and experience in financial and business matters, and access to, and knowledge of, appropriate analytical resources, to evaluate the information contained in this Programme Memorandum and the relevant Series Memorandum and the merits and risks of an investment in the Issuer in the context of such investors' financial, tax, accounting and regulatory circumstances and investment objectives;
- (2) are capable of bearing the economic risk of an investment in the Issuer for an indefinite period of time and the risk of the entire loss of any investment in the Issuer;
- (3) are acquiring Notes or (if applicable) Alternative Investments for their own account for investment, not with a view to resale, distribution or other disposition of such Notes or Alternative Investments;
- (4) recognise that there is no secondary market for such Notes, and no secondary market is expected to develop in respect thereof, so that the purchase of such Notes is suitable only for investors who can bear the risks associated with a lack of liquidity in such Notes and who are prepared to hold such Notes for an indefinite period of time or until the final redemption or maturity of such Notes; and
- (5) are banks, investment banks, pension funds, insurance companies, securities firms, investment institutions, central governments, large international or supranational organisations or other entities, including *inter alia* treasuries and finance companies of enterprises.

The applicable Series Memorandum issued in connection with a Series of Notes or Alternative Investments may also contain further paragraphs headed "**Investor Suitability**" and/or "**Risk Factors**" and particular attention is drawn to those sections.

The Issuer and the Arranger may, in their discretion, disregard interest shown by a prospective investor even though that investor satisfies the foregoing suitability standards.

Each prospective investor should ensure that it fully understands the nature of its investment and the nature and extent of its exposure to the risk of loss of all or a substantial part of its investment. Attention is drawn, in particular, to the italicised paragraphs set out in the sections of this Programme Memorandum entitled "Terms and Conditions of the Notes - Security" and "Terms and Conditions of the Notes - Enforcement and Limited Recourse".

Notes issued and Alternative Investments entered into under the Programme may be illiquid, the purchase of or entry into of which involves substantial risks. Neither the Issuer nor the Arranger will undertake to make a market in Notes of any Series or (if applicable) any Alternative Investments.

TERMS AND CONDITIONS OF THE NOTES

The relevant Constituting Instrument will indicate whether the Master Conditions February 2021 Edition – Version 1) or the Master Conditions (February 2021 Edition – Version 2) shall apply for a Series or Tranche of Notes.

Master Conditions (February 2021 Edition – Version 1)

If the relevant Constituting Instrument indicates that the Master Conditions (February 2021 Edition – Version 1) shall apply, the following terms and conditions, subject to completion and amendment and as supplemented, varied or restated in accordance with the provisions of the relevant Constituting Instrument and save for the italicised paragraphs, will be incorporated by reference into the Trust Deed constituting the Series or Tranche of Notes and endorsed on Notes in definitive form (if any). The relevant Constituting Instrument will indicate, or set out in full, those provisions of these terms and conditions, and the amendments, variations and the supplementary provisions to such terms and conditions or any restatement thereof, which are, in each case, applicable to the Notes of such Series or Tranche.

The Issuer (as defined below) has established a Programme for the issue of Notes (as defined below) and the making of Alternative Investments (as defined in Condition 5). Notes issued under the Issuer's Programme are issued in Series (each, a "**Series**") and each Series may comprise one or more tranches (each, a "**Tranche**") of Notes. Each particular Series of Notes is constituted, governed and secured (where applicable) by or pursuant to a constituting instrument relating to the Notes (the "**Constituting Instrument**") dated the Issue Date (as defined in Condition 6(l)) between the "**Issuer**" (as defined in the Constituting Instrument), each person (if any) named therein as a swap counterparty (each a "**Swap Counterparty**"), which expression as used herein shall mean all or any of such persons, as the case may be), the "**Trustee**" (as defined in the Constituting Instrument and which expression shall include all persons for the time being the trustee or trustees under the Trust Deed, as defined below) and the other parties (if any) named therein. The Constituting Instrument constitutes and (where applicable) secures the Notes by the creation of a trust deed (the "**Trust Deed**") on the terms (as amended, modified and/or supplemented by the Constituting Instrument) set out in the master trust terms (the "**Master Trust Terms**") as specified in the Constituting Instrument. The terms and conditions applicable to the Notes the subject of the Constituting Instrument (in these terms and conditions, the "**Notes**") are these terms and conditions (the "**Master Conditions**"), as amended, modified and/or supplemented by the Constituting Instrument. In the event of any inconsistency between these terms and conditions and the Constituting Instrument, the Constituting Instrument shall prevail. References to the "**Conditions**" shall be construed in relation to a Series or a Tranche as a reference to these Master Conditions as amended, supplemented or restated in relation to such Series or Tranche by the relevant Constituting Instrument. References in the Conditions to the "**Notes**", a "**Series**" or a "**Tranche**" shall be deemed to be references to the Notes, the Series or the Tranche that are or is the subject of the relevant Constituting Instrument and not to all Notes, Series or Tranches that may be issued under the Issuer's Programme.

By executing the Constituting Instrument, the Issuer has entered into an agency agreement (the "**Agency Agreement**") with one or more of the parties defined in the Constituting Instrument as the "**Issue Agent**", the "**Principal Paying Agent**", the "**Interest Calculation Agent**", the "**Determination Agent**", the "**Realisation Agent**", the "**Registrar**", the "**Transfer Agent**" (which term may include more than one Transfer Agent) and any other "**Paying Agents**" (such other Paying Agents being defined as such together with the Principal Paying Agent), the Trustee and each Swap Counterparty (if any) on the terms (as amended, modified and/or supplemented by the Constituting Instrument) set out in the master agency terms (the "**Master Agency Terms**") as specified in the Constituting Instrument.

The Constituting Instrument will state whether the Issuer has entered into (i) a charged agreement as referred to in Condition 4(b) (the "**Charged Agreement**") with the Swap Counterparty with respect to a Series by executing the Constituting Instrument on the terms (as amended, modified and/or supplemented by the Constituting Instrument) set out in the master charged agreement terms (the "**Master Charged Agreement Terms**") as specified in the Constituting Instrument or (ii) a custody agreement in respect of the Notes (the "**Custody Agreement**") with the "**Custodian**" (as defined in the Constituting Instrument), the Trustee and each Swap Counterparty (if any) on the terms (as amended, modified and/or supplemented by the Constituting Instrument) set out in the master custody terms (the "**Master Custody Terms**") as specified in the Constituting Instrument. In the event the Constituting Instrument does not state that there is a Charged Agreement or a Custody Agreement, the Conditions shall be construed as if references to any

Swap Counterparty, any Charged Agreement, any Custodian and/or any Custody Agreement were not applicable.

The master definitions (the "**Master Definitions**") as specified in the Constituting Instrument (as amended, modified and/or supplemented by the Constituting Instrument) will apply for the purposes of interpretation of the Conditions, except as expressly provided therein or as the context otherwise requires. References in the Conditions to the "**Placing Agreement**" in relation to the Notes are to the relevant placing agreement between the Issuer and the Arranger and/or Dealers as constituted by the Constituting Instrument on the terms (as amended, modified and/or supplemented by the Constituting Instrument) set out in the master placing terms (the "**Master Placing Terms**") as specified in the Constituting Instrument and references to the "**Charged Assets Sale Agreement**" are to the relevant charged assets sale agreement between the Issuer and the seller of the Charged Assets (as defined in Condition 4(a)) as constituted by the Constituting Instrument on the terms (as amended, modified and/or supplemented by the Constituting Instrument) set out in the master charged assets sale terms (the "**Master Charged Assets Sale Terms**") as specified in the Constituting Instrument. In the event the Constituting Instrument does not state that there is a Charged Assets Sale Agreement, the Conditions shall be construed as if references to any Charged Assets Sale Agreement were not applicable. In the event the Constituting Instrument states that there are no Charged Assets, the Conditions shall be construed as if references to any Charged Assets were not applicable.

Statements in the Conditions are summaries of, and subject to, the detailed provisions appearing in the Trust Deed relating to the Notes and, if it is stated in the Constituting Instrument that the Notes are issued with the benefit of one or more additional instruments (each an "**Additional Charging Instrument**") creating security interests over the Charged Assets, each Additional Charging Instrument. Copies of the Master Trust Terms, the Master Conditions, the Master Agency Terms, the Master Charged Agreement Terms, the Master Custody Terms, the Master Placing Terms, the Master Charged Assets Sale Terms, the Master Definitions, the Constituting Instrument in relation to the Notes and, if applicable, each Additional Charging Instrument are available for inspection at the registered office of the Issuer and by electronic means with the Trustee, the Paying Agents, the Registrar and the Transfer Agents (in each case, if any) in respect of the Notes.

In respect of the Notes, references in the Conditions to the "**Issue Agent**", the "**Principal Paying Agent**" or the "**Registrar**" shall include, respectively, any successor Issue Agent, Principal Paying Agent or Registrar and references in the Conditions to the "**Paying Agents**", the "**Transfer Agents**", the "**Determination Agent**", the "**Realisation Agent**" or the "**Custodian**" shall include, respectively, any successor or additional Paying Agents, Transfer Agents, Determination Agent, Realisation Agent or Custodian, in each case appointed in accordance with the Agency Agreement or, as the case may be, the Custody Agreement. In respect of the Notes, references in the Conditions to "**Agents**" are to the Issue Agent, the Principal Paying Agent, the other Paying Agents, the Registrar, the Transfer Agents, the Interest Calculation Agent, the Custodian, the Determination Agent, the Realisation Agent and each other agent appointed in accordance with the Agency Agreement or, as the case may be, the Custody Agreement, as applicable. The holders of the Notes and the holders of the interest coupons (the "**Coupons**") (if any) appertaining to interest bearing Notes in bearer form (the "**Couponholders**", which expression includes the Talonholders and the Receiptholders referred to below), the holders of talons (the "**Talons**") (if any) for further coupons attached to such Notes (the "**Talonholders**") and the holders of instalment receipts (the "**Receipts**") appertaining to the payment of principal by instalments (the "**Receiptholders**") are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed relating to the Notes and, if applicable, any Additional Charging Instrument and to have notice of those provisions of the Custody Agreement, the Agency Agreement and the Charged Agreement applicable to them. References herein to the "**Arranger**" and the "**Dealers**" are to the person or person(s) specified as such in the relevant Constituting Instrument acting in its or their capacity as such and references to the "**Programme Memorandum**" are references to the Programme Memorandum in respect of the Issuer's Programme, as amended, supplemented, restated and replaced from time to time.

References in the Conditions to (i) "**principal**" shall be deemed to include any premium payable in respect of the Notes, all Instalment Amounts, Redemption Amounts, Amortised Face Amounts and all other amounts in the nature of principal payable pursuant to Condition 7 or any amendment or supplement to it and (ii) "**interest**" shall be deemed to include all Interest Amounts (as defined in Condition 6(l)) and all other amounts in the nature of interest payable pursuant to Condition 6 or any amendment or supplement to it.

1. Form, Denomination and Title

(a) Bearer Notes

- (1) If it is specified in the Constituting Instrument that Notes are in bearer form ("**Bearer Notes**"), the Bearer Notes if issued in definitive form shall be serially numbered in an Authorised Denomination (as defined in Condition 1(c)), and shall be D Notes (as defined below) unless specified in the Constituting Instrument that the Notes are C Notes (as defined below). The principal amount of each Note will be specified on its face.

No Bearer Note may be offered, sold or delivered within the United States or to or for the account of a U.S. Person (as defined in the U.S. Internal Revenue Code of 1986, as amended, and regulations thereunder (the "**Code**")), except in certain transactions permitted by U.S. tax regulations.

Each Series of Bearer Notes or a Tranche thereof issued pursuant to Section 1.163-5(c)(2)(i)(D) of the Treasury Regulations under the Code ("**D Notes**") will initially be represented by one or more notes in temporary global form (a "**Temporary Global Note**") without Receipts, Coupons or Talons, and each Series of Bearer Notes or a Tranche thereof issued pursuant to Section 1.163-5(c)(2)(i)(C) of the Treasury Regulations under the Code ("**C Notes**") will be represented by one or more notes in permanent global form (a "**Permanent Global Note**") without Receipts, Coupons or Talons or by definitive Bearer Notes. A Temporary Global Note and/or a Permanent Global Note, as the case may be, will be delivered to a common depository for Euroclear Bank S.A./N.V., as operator of the Euroclear system ("**Euroclear**") and Clearstream Banking S.A. ("**Clearstream, Luxembourg**"). Any reference herein to Euroclear or Clearstream, Luxembourg shall, wherever the context permits, be deemed to include a reference to any additional or alternative clearing system as specified in the applicable Constituting Instrument in which beneficial interests in the Notes are for the time being recorded (an "**Alternative Clearing System**") and shall include any successor in business to Euroclear or Clearstream, Luxembourg or any such Alternative Clearing System. Notwithstanding the foregoing, Bearer Notes shall not be eligible for deposit with The Depository Trust Company ("**DTC**"). Euroclear, Clearstream, Luxembourg, DTC and any Alternative Clearing System are each sometimes referred to herein as a "**Clearing System**" and collectively as "**Clearing Systems**". Any reference in this Condition 1(a) to a Permanent Global Note shall be deemed to be a reference to a Permanent Global Note representing either D Notes or C Notes, as the context requires, and any reference herein to a Note shall be deemed to be a reference to a D Note or a C Note, as the context requires.

If a date for the payment of interest on any Bearer Note occurs while such Bearer Note is represented by a Temporary Global Note, the related interest payment will be made against presentation of the Temporary Global Note only to the extent that certification of non-U.S. beneficial ownership (in the form set out in the Temporary Global Note) has been received by Euroclear or Clearstream, Luxembourg. Interests in a Temporary Global Note will be exchangeable for interests in a Permanent Global Note or for definitive Bearer Notes, with, where applicable, Receipts, Coupons and Talons attached in the circumstances and subject to the conditions specified in the Constituting Instrument, not earlier than the first day (the "**Exchange Date**") following the 40 day period commencing on the original issue date of the Notes (the "**40-Day Restricted Period**"), provided that certification of non-U.S. beneficial ownership has been received. Save for payments of interest as described above, no payments will be made on a Temporary Global Note unless, upon due presentation of a Temporary Global Note for exchange (together with certification of non-U.S. beneficial ownership), delivery of a Permanent Global Note (or, as the case may be, an interest therein) or definitive Bearer Notes is improperly withheld or refused and such withholding or refusal is continuing at the relevant due date for payment.

Payments of principal or interest (if any) in respect of a Permanent Global Note will be made through Euroclear or Clearstream, Luxembourg or the relevant Alternative Clearing System against presentation or surrender, as the case may be, of the Permanent Global Note. A Permanent Global Note will, if so provided in the relevant Constituting Instrument be exchangeable, in whole but not in part, for definitive Bearer Notes with, where

applicable, Receipts, Coupons and Talons attached (i) on request from the holder thereof (or all of the holders acting together, if more than one) upon not less than 60 days' prior written notice to the Issuer and the Issue Agent given (in the case of D Notes) not earlier than the relevant Exchange Date, (ii) if the Issuer would suffer a material disadvantage as a result of a change in laws or regulations (taxation or otherwise) or as a result of a change in the practice of Euroclear, Clearstream, Luxembourg or any Alternative Clearing System which would not be suffered were the Bearer Notes in definitive form and a certificate to such effect is given to the Trustee, or (iii) at the option of the holder (or of all the holders acting together, if more than one) if the Notes become due and payable as the result of an Event of Default in accordance with Condition 9 and payment is not made on due presentation of the Permanent Global Note for payment or if either Euroclear or Clearstream, Luxembourg or any Alternative Clearing System in which the Permanent Global Note is for the time being deposited is closed for business for a continuous period of 14 days (otherwise than by reason of holiday, statutory or otherwise) or announces an intention permanently to cease business or to cease to make its book-entry system available for settlement of beneficial interests in such Permanent Global Note or does in fact do either of such things and no Alternative Clearing System satisfactory to the Trustee and the Principal Paying Agent is available, all as set out in the Constituting Instrument.

No definitive Bearer Note delivered in exchange for a portion of a Permanent Global Note shall be sent by post or otherwise delivered to any location in the United States or its possessions in connection with such exchange.

- (2) Title to the Bearer Notes, the Receipts (if any) the Coupons (if any) and the Talons (if any) passes by delivery. In these Conditions, subject as provided below, "**Noteholder**" and (in relation to a Note, Receipt, Coupon or Talon) "**holder**" means the bearer of any Bearer Note, Receipt, Coupon or Talon (as the case may be). The holder of any Note, Receipt, Coupon or Talon will (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it, any writing on it, or its theft or loss) and no person will be liable for so treating the holder.

For so long as the Notes are represented by a Temporary Global Note or a Permanent Global Note (together "**Global Notes**") and the Global Notes are held on behalf of Euroclear and Clearstream, Luxembourg or on behalf of an Alternative Clearing System, beneficial interests in Notes will only be transferable in accordance with the rules and procedures for the time being of Euroclear and Clearstream, Luxembourg or such Alternative Clearing System, as appropriate, and each person who is for the time being shown in the records of Euroclear or Clearstream, Luxembourg (other than each such clearing system to the extent that it is an account holder with the other clearing system for the purpose of operating the "bridge" between the clearing systems) or an Alternative Clearing System as the holder of a particular principal amount of the Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg or such Alternative Clearing System as to the principal amount of the Notes standing to the account of any person shall be conclusive and binding for all purposes) shall be treated by the Issuer, the Trustee and the Agents as the holder of such principal amount of the Notes (and the expression "**Noteholders**" and references to "**holding of Notes**" and to "**holder of the Notes**" shall be construed accordingly) for all purposes other than the entitlement to receive payments of principal, interest or any amounts due on redemption in respect of the Global Notes and provided that such principal amount is an integral multiple of an Authorised Denomination.

The following legend will appear on all D Notes, Permanent Global Notes representing D Notes and any Receipts, Coupons or Talons in respect thereof:

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

The sections of the Code referred to in the foregoing legend provide that, with certain exceptions, a United States taxpayer will not be entitled to deduct any loss, and will not be entitled to capital gains treatment in respect of any gain realised, on any sale, disposition or payment of a Note, Receipt, Coupon or Talon for U.S. federal income tax purposes.

Unless otherwise specified in the Constituting Instrument, each purchaser or holder of Bearer Notes will be deemed to represent that it is not, and for so long as it holds any Notes will not be, an employee benefit plan subject to the fiduciary responsibility provisions of the U.S. Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), a plan subject to Section 4975 of the Code, a person or entity whose assets include the assets of any such employee benefit plan or plan by reason of 29 C.F.R. Section 2510.3-101 or otherwise, or any other employee benefit plan without regard to the federal, state, local or foreign law pursuant to which the plan is organised or administered, and such purchaser or holder is not using the assets of any such plan to acquire the Notes.

(b) *Registered Notes*

(1) General

If it is specified in the Constituting Instrument that Notes are in registered form or if as a result of an exchange of Bearer Notes pursuant to Condition 2(a) Notes are in registered form (in both cases, "**Registered Notes**"), such Registered Notes shall be in an Authorised Denomination or an integral multiple thereof as specified in the Constituting Instrument. The principal amount of each Note will be specified on the face of the definitive registered certificate ("**Registered Certificate**") or the global registered certificate ("**Global Registered Certificate**") as applicable representing the Registered Notes. Subject to the procedures discussed below, title to the Registered Notes passes by registration in the register which the Issuer shall procure to be kept by the Registrar (the "**Register**"). In these conditions, subject as provided below, "**Noteholder**" and "**holder**" means the registered holder of any Registered Notes.

(2) Non-U.S. Series/Non-U.S. Tranche

If the Registered Notes comprise a Series (a "**non-U.S. Series**") or a Tranche (a "**non-U.S. Tranche**") for which the Constituting Instrument specifies that the Notes may not be offered or sold in the United States or to, or for the account or benefit of (i) U.S. Persons (as defined in Regulation S under the Securities Act), (ii) U.S. persons (as defined in the final risk retention rules promulgated under Section 15G of the U.S. Securities Exchange Act of 1934, as amended (the "**Exchange Act**") or (iii) a person who comes within any definition of U.S. person for the purposes of the U.S. Commodity Exchange Act of 1936, as amended (the "**CEA**"), or any rule, guidance or order proposed or issued by the U.S. Commodity and Futures Trading Commission (the "**CFTC**") thereunder (including but not limited to any person who is not a "Non-United States person" under CFTC Rule 4.7(a)(1)(iv) and also including but not limited to a "U.S. Person" as described in and for the purposes of the CFTC's Interpretive Guidance and Policy Statement Regarding Compliance with Certain Swap Regulations, 78 Fed Reg. 45292 (July 26, 2013) as amended from time to time (any persons fall under any of (i) to (iii) above, ("**U.S. Persons**")), such Registered Notes will be initially represented by a Registered Certificate or a Global Registered Certificate.

Payments of principal or interest (if any) in respect of a Global Registered Certificate will be made through Euroclear or Clearstream, Luxembourg or the relevant Alternative Clearing System or, if so specified in the Constituting Instrument, through the person named in such Constituting Instrument, against, in the case of payments of principal only, presentation or surrender, as the case may be, of the Global Registered Certificate. A Global Registered Certificate will, if so provided in the relevant Constituting Instrument, be exchangeable, in whole but not in part, for Registered Certificates (i) on request from the holder thereof (or of all the holders acting together, if more than one) upon not less than 60 days' prior written notice to the Issuer and the Trustee or, (ii) if the Issuer would suffer a material disadvantage as a result of a change in laws or regulations (taxation or otherwise) or as a result of a change in the practice of Euroclear, Clearstream, Luxembourg or any Alternative Clearing System which would not be suffered were the Registered Notes in definitive form

and a certificate to such effect is given to the Trustee, (iii) at the option of the holder (or all of the holders acting together, if more than one) if the Notes become due and payable as the result of an Event of Default in accordance with Condition 9 and payment is not made on due presentation of the Global Registered Certificate for payment or if either Euroclear or Clearstream, Luxembourg or any Alternative Clearing System in which the Global Registered Certificate is for the time being deposited is closed for business for a continuous period of 14 days (otherwise than by reason of holiday, statutory or otherwise) or announces an intention permanently to cease business or to cease to make its book-entry system available for settlement of beneficial interests in such Global Registered Certificate or does in fact do either of such things and no Alternative Clearing System satisfactory to the Trustee and the Registrar is available, all as set out in the Constituting Instrument.

For so long as the Notes are represented by a Global Registered Certificate and the Global Registered Certificate is held on behalf of Euroclear and Clearstream, Luxembourg or an Alternative Clearing System, beneficial interests in Notes will only be transferable in accordance with the rules and procedures for the time being of Euroclear and Clearstream, Luxembourg or such Alternative Clearing System, as appropriate, and each person who is for the time being shown in the records of Euroclear or Clearstream, Luxembourg (other than each such clearing system to the extent that it is an account holder with the other clearing system for the purpose of operating the "bridge" between the clearing systems) or an Alternative Clearing System as the holder of a particular principal amount of the Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg or such Alternative Clearing System as to the principal amount of the Notes standing to the account of any person shall be conclusive and binding for all purposes) shall be treated by the Issuer, the Trustee and the Agents as the holder of such principal amount of the Notes (and the expression "**Noteholders**" and references to "**holding of Notes**" and to "**holder of the Notes**" shall be construed accordingly) for all purposes other than the entitlement to receive payments of principal, interest or any amounts due on redemption in respect of the Global Registered Certificate.

Each initial purchaser and subsequent transferee of Registered Notes of a Non-U.S. Series or a Non-U.S. Tranche, unless otherwise specified in the related Series Memorandum, will be deemed to have represented, warranted, undertaken, acknowledged and agreed with the Issuer, the Arranger and the Dealers:

- (i) that the Notes have not been and will not be registered under the Securities Act or any state securities laws and the Issuer is not and will not be registered as an investment company under the U.S. Investment Company Act of 1940, as amended (the "**1940 Act**"). Accordingly, the Notes may not be offered, sold or otherwise transferred within the United States or to, or for the account or benefit of, any U.S. Person; and
- (ii) that it is not, and for so long as it holds any Notes will not be, an employee benefit plan subject to the fiduciary responsibility provisions of ERISA, a plan subject to Section 4975 of the Code, a person or entity whose assets include the assets of any such employee benefit plan or plan by reason of 29 C.F.R. Section 2510.3-101 or otherwise, or any other employee benefit plan without regard to the federal, state, local or foreign law pursuant to which the plan is organised or administered, and such purchaser or holder is not using the assets of any such plan to acquire the Notes.

Subject to the restrictions (if any) referred to in the Constituting Instrument, Registered Notes of a non-U.S. Series or a non-U.S. Tranche which are represented by a Registered Certificate may be transferred in whole or in part in an Authorised Denomination or an integral multiple thereof upon the surrender of the Registered Certificate representing such Registered Notes, together with the form of transfer endorsed on it duly completed and executed, at the specified office of the Registrar or any Transfer Agent. In the case of a transfer of part only of a Registered Certificate, new Registered Certificates in the relevant amounts will be issued to the transferor and the transferee.

Each new Registered Certificate to be issued upon transfer of Registered Notes of a non-U.S. Series or a non-U.S. Tranche will (subject as referred to in the Constituting Instrument), within three business days (in the place of the specified office of the Registrar or Transfer Agent to whom the form of transfer shall have been delivered) of receipt of such form of transfer, be available for delivery at the specified office of the Transfer Agent or of the Registrar (as the case may be) stipulated in the form of transfer, or be mailed at the risk of the holder entitled to the Registered Certificate to such address as may be specified in such form of transfer.

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

No Noteholder may require the transfer of a Registered Note to be registered during the period of 15 days ending on the due date for any payment of principal, interest or any amounts due upon redemption of such Note.

If Registered Notes are represented by a Global Registered Certificate, such Global Registered Certificate will be registered in the name of a nominee for Euroclear and Clearstream, Luxembourg or an Alternative Clearing System or in the name of such other person as the Constituting Instrument shall provide.

(3) U.S. Series/U.S. Tranche

Unless otherwise specified in the applicable Constituting Instrument, the Issuer may not issue Notes of a Series (a "**U.S. Series**") or a Tranche (a "**U.S. Tranche**") which may be offered or sold in the United States or to, or for the account or benefit of, U.S. Persons.

(c) *Authorised Denomination*

Authorised Denomination means the denomination or denominations specified as such in the Constituting Instrument.

(d) *Type of Note*

This Note is a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note, a Variable Coupon Amount Note, a Long Maturity Note, an Interest Only Note (depending upon the basis for calculating interest specified in the Constituting Instrument) or such other form of Note as the Issuer and the Arranger may agree that the Issuer can issue under the Programme and shall have such other terms as are specified in the Constituting Instrument. All payments in respect of this Note shall be made in the currency shown on its face unless it is specified in the Constituting Instrument to be a Dual Currency Note (which for the purposes of these Conditions shall include Notes in respect of which payments shall, or may at the option of the Issuer or any holder, be made in more than one currency or in a different currency than that which would otherwise prevail in the absence of the exercise of any such option), in which case payments shall be made on the basis specified in the Constituting Instrument.

Interest bearing Bearer Notes are issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Zero Coupon Notes in which case references to interest (other than in relation to interest (if any) due after the Maturity Date (as defined in Condition 7(a)), or other date for redemption) and Coupons in these Conditions are not applicable. After all the Coupons attached to or issued in respect of any Bearer Note which was issued with a Talon have matured, a coupon sheet comprising further Coupons (other than Coupons which would be void) and, if applicable, one further Talon, will be issued against presentation and surrender of the relevant Talon at the specified office of any Paying Agent. Any Bearer Note the principal amount of which is redeemable in instalments is issued with one or more Receipts attached.

2. Exchange of Notes

(a) *Exchange of Bearer Notes*

Subject as provided in this Condition 2 and provided that, in the case of D Notes, certification of non-U.S. beneficial ownership has been received, Bearer Notes exchangeable for Registered Notes ("**Exchangeable Bearer Notes**") may be exchanged for the same aggregate principal amount of Registered Notes of an Authorised Denomination at the request in writing of the relevant Noteholder and upon surrender of the Exchangeable Bearer Note to be exchanged together with all unmatured Receipts, Coupons and Talons relating to it (if any) at the specified office of the Registrar or any Transfer Agent. Where, however, an Exchangeable Bearer Note is surrendered for exchange after the Record Date (as defined in Condition 8(b)(2)) for any payment of interest, the Coupon in respect of that payment of interest need not be surrendered with it.

Registered Notes may not be exchanged for Bearer Notes, unless otherwise specified in the Constituting Instrument.

(b) *Delivery of new Registered Certificate/Global Registered Certificate*

Each new Registered Certificate or Global Registered Certificate to be issued upon request for exchange of Exchangeable Bearer Notes will, within three business days (in the place of the specified office of the Registrar or Transfer Agent to whom such request for exchange shall have been delivered) of receipt of such request for exchange, be available for delivery at the specified office of the Transfer Agent or of the Registrar (as the case may be) stipulated in the request for exchange, or be mailed at the risk of the holder entitled to the Registered Certificate or Global Registered Certificate to such address as may be specified in such request for exchange.

(c) *Formalities free of charge*

The issue of Registered Certificates or a Global Registered Certificate upon an exchange of Bearer Notes and registration of the holder thereof will be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agents, but upon payment by the relevant holder (or the giving of such indemnity by the relevant holder as the Registrar or the relevant Transfer Agent may require) in respect of any tax or other governmental charges which may be imposed in relation to it.

(d) *Closed periods*

No Noteholder may require a Bearer Note to be exchanged for a Registered Note during the period of 15 days ending on the due date for any payment of principal on that Note or any payment of interest thereon or after such Note has been called for redemption.

(e) *Authorised Denomination*

Bearer Notes of one Authorised Denomination may not be exchanged for Bearer Notes of another Authorised Denomination.

3. Status of Notes and Issuer Expenses

(a) *Status*

The Notes, Receipts, Coupons and Talons (if any) of any Series are secured limited recourse obligations of the Issuer, recourse in respect of which is limited in the manner described in Condition 10 and will rank *pari passu* without any preference among themselves, save in the case of a Series of Notes comprising more than one Tranche or class of Notes, in which case the Notes of each such Tranche or class will rank *pari passu* and without any preference among themselves but not, save to the extent specified in the Constituting Instrument, with Notes of another Tranche or class comprised in such Series. In such a case the ranking and preference of each class or Tranche of Notes will be as set out in the Constituting Instrument.

(b) *Issuer Expenses*

The fees, costs and expenses payable by or on behalf of the Issuer in respect of the issuance of Notes and Alternative Investments from time to time under the Programme shall be paid by the Arranger pursuant to the terms of the expenses letter entered into between the Issuer, the Trustee and the Arranger (the "**Programme Expenses Letter**") and the fees, costs and expenses of the Issuer in respect of any Series of Notes, to the extent that the Arranger will not already have agreed to pay such costs and expenses pursuant to the Programme Expenses Letter, shall be paid by the Arranger pursuant to an expenses letter in respect of the relevant Series between the Issuer, the Trustee and the Arranger (the "**Series Expenses Letter**").

4. Security

(a) Security

Unless otherwise specified in the Constituting Instrument and/or any Additional Charging Instrument, if applicable, any and all security granted by the Issuer in respect of any Series shall be granted with full title guarantee and as continuing security in favour of the Trustee, who shall hold such security on trust for the Custodian, the Principal Paying Agent, the Registrar, each Swap Counterparty, if there are one or more Charged Agreements in respect of the Series, the Noteholders and such other persons as may be specified in the Constituting Instrument and/or any Additional Charging Instrument, if applicable, such security being held in the order of priority described in Condition 4(d) and as more particularly specified in the Constituting Instrument and/or any Additional Charging Instrument, if applicable.

The obligations of the Issuer under the Notes and the Receipts or Coupons (if any) appertaining thereto are, unless otherwise specified in the Constituting Instrument and/or any Additional Charging Instrument, if applicable, secured by:

- (i) a first fixed charge on, and/or by an assignment of and/or another security interest over, certain securities and/or agreements and/or rights (contractual or otherwise) and/or other assets (and/or the benefit, interest, right and/or title thereof, therein or thereto) (including, without limitation, as the case may be, (aa) debt securities or negotiable instruments (including, without limitation, bonds, commercial paper, notes, debentures, promissory notes, certificates of deposit or bills of exchange) of any form, denomination, type and issuer, (bb) shares, stock or other equity securities of any form, denomination, type and issuer, (cc) the benefit of loans, evidences of indebtedness or other rights of any kind whatsoever, contractual or otherwise (including, without limitation, sub-participations, documentary or stand-by letters of credit or swap, option, exchange or other arrangements of the type contemplated in the definition of "Charged Agreement" in Condition 4(b), derivatives, commodity interests, assignments, participations, transferable loan certificates or instruments and/or any other instrument comprising, evidencing, representing and/or transferring such securities and/or agreements and/or rights (contractual or otherwise)) assigned or transferred to, or otherwise vested in, or entered into by, the Issuer as specified in the Conditions or (dd) cash (the "**Charged Assets**", which expression shall include any Replacement Charged Assets) and all rights and all sums ("**Proceeds**") derived therefrom);
- (ii) an assignment by way of security of the Issuer's rights against the Custodian under the Custody Agreement and all sums derived therefrom and a first fixed charge on all funds in respect of the Charged Assets held from time to time by the Custodian;
- (iii) a first fixed charge on all funds held from time to time by the Principal Paying Agent or, as the case may be, the Registrar to meet payments due under the Notes, the Receipts and the Coupons (if any);
- (iv) an assignment by way of security of the Issuer's rights, title and interest under the Agency Agreement and all sums derived therefrom; and
- (v) an assignment by way of security of the Issuer's rights, title and interest against the Arranger and each Dealer in relation to the Notes under the relevant Placing Agreement and against the seller of the Charged Assets under the relevant Charged Assets Sale Agreement.

Save as otherwise specified in the Constituting Instrument, the obligations of the Issuer under the Notes and the Receipts or Coupons (if any) appertaining thereto are also secured by an assignment of the Issuer's rights, title, benefit and interest in, to and under each Charged Agreement. Unless otherwise provided in the Constituting Instrument, such security shall extend to the obligations of the Issuer under any Further Notes (as defined in Condition 16) (and the Receipts and Coupons (if any) appertaining thereto) issued in accordance with Condition 16 and consolidated and forming a single Series with this Series. The property and other assets described above securing the obligations of the Issuer under the Notes (and any Further Notes) and the Receipts and Coupons (if any) appertaining thereto are herein collectively referred to as the "**Collateral**".

The Issuer's obligations to each Swap Counterparty under a Charged Agreement, each Custodian under a Custody Agreement and each Principal Paying Agent and each Registrar under an Agency Agreement are, unless otherwise specified in the Constituting Instrument, secured as provided in the second preceding paragraph of this Condition 4(a). Unless otherwise provided in the Constituting Instrument or in the Further Constituting Instrument (as defined in Condition 16), such security in favour of a Swap Counterparty shall extend to the obligations of the Issuer under any Further Charged Agreement (as defined in Condition 16) supplemental to such Charged Agreement entered into in accordance with Condition 16.

If it is so specified in the Programme Memorandum, the obligations of the Issuer in relation to all Series of Notes and Alternative Investments the Trustee in respect of which is J.P. Morgan Corporate Trustee Services Limited (each a "**Related Trustee Series**") are secured pursuant to a Deed of Floating Charge as amended or supplemented from time to time (the "**Deed of Floating Charge**") between the Issuer and BNY Mellon Corporate Trustee Services Limited (formerly J.P. Morgan Corporate Trustee Services Limited) (for the benefit of all Noteholders and, in the case of Alternative Investments, the Investors (as defined below) and any other Secured Creditors for each Related Trustee Series) over the whole of its undertaking and assets (unless otherwise provided in the Deed of Floating Charge) to the extent that such undertaking and assets are not subject to any other security created by the Issuer in relation to any Series. The principal purpose of the aforementioned security is to ensure that the Trustee has security over substantially the whole of the assets of the Issuer, so allowing the Trustee to appoint an administrative receiver (as defined in section 29 of the Insolvency Act 1986). The Trustee is entitled to enforce the security created by the Deed of Floating Charge only if an Event of Default referred to in Condition 9(c) of the Notes of any Series, or the analogous provision in the terms and conditions of any Series of Alternative Investments, has occurred and the security in respect of all Series of Notes and Alternative Investments then outstanding constituted by the relevant Constituting Instrument and/or Additional Charging Instrument has become enforceable. The obligations of the Issuer are, however, limited in recourse as provided in Condition 10, and accordingly, even if the security created by the Deed of Floating Charge may become enforceable, the amounts due to the Noteholders (in respect of any Series of Notes) and the Investors (in respect of any Series of Alternative Investments) and any other Secured Creditors will not be increased as a result thereof and shall be limited to the net proceeds of realisation of the Charged Assets in relation to the Series of Notes or, as the case may be, the Series of Alternative Investments and subject to the provisions of Condition 4 as to application of such net proceeds and to the provisions of Condition 10 or, in the case of Alternative Investments, the analogous provisions in the terms and conditions relating to the Alternative Investments.

In this Condition "**Investor**" means each holder, lender or other beneficiary in respect of an Alternative Investment.

To the extent that an obligor in respect of the Charged Assets fails to make payments to the Issuer under the relevant Charged Assets on the due date therefor, the Issuer will be unable to meet its obligations under the Charged Agreement and/or unable to meet its obligations in respect of the Notes, the Receipts, or the Coupons (if any) as and when they fall due. In such event, and subject to Condition 4(c), the Notes will become repayable in accordance with Condition 7 and the security therefor will become enforceable in accordance with and subject to the provisions of Condition 10.

The Notes are capable of being declared immediately due and repayable prior to their stated date of maturity or other date or dates for their redemption following the occurrence of any of the events of default more particularly specified in Condition 9. On notice having been

given to the Issuer by the Trustee following any such occurrence, the Notes will become repayable in accordance with Condition 9 and the security therefor will become enforceable in accordance with the Master Trust Terms (as amended, modified and/or supplemented by the relevant Constituting Instrument) and subject to the provisions of Condition 10.

On any such enforcement, the net proceeds thereof (after meeting the expenses and remuneration of and any other amounts due to the Trustee or any receiver and the claims of any other person ranking ahead of the Swap Counterparty and the Noteholders in accordance with the order of payments described in Condition 4(d)) may be insufficient to pay amounts due to each Swap Counterparty under each Charged Agreement and amounts due on repayment to the Noteholders whether in accordance with the order of priority specified by the Trust Deed or at all.

(b) *Charged Agreements*

The Issuer has, unless otherwise specified in the Constituting Instrument, entered into one or more Charged Agreements. A Charged Agreement may comprise (i) any transaction which is a rate swap transaction, swap option, basis swap, forward rate transaction, commodity swap, commodity option, equity or equity index swap, equity or equity index option, bond option, interest rate option, foreign exchange transaction, cap transaction, floor transaction, collar transaction, currency swap transaction, cross-currency rate swap transaction, currency option, credit protection transaction, credit swap, credit default swap, credit default option, total return swap, credit spread transaction, repurchase transaction, reverse repurchase transaction, buy/sell-back transaction, securities lending transaction, or forward purchase or sale of a security, commodity or other financial instrument or interest (including any option with respect to any of these transactions), in each case, as applicable, whether single-name or portfolio-based, (ii) any transaction which is a type of transaction that is similar to any transaction referred to in (i) that is currently, or in the future becomes, recurrently entered into in the financial markets (including terms and conditions incorporated by reference in such agreement) and that is a forward, swap, future, option or other derivative on one or more rates, currencies, commodities, equity securities or other equity instruments, debt securities or other debt instruments, or economic indices or measures of economic risk or value and any combination of the foregoing transactions, or (iii) any other transaction executed with a Swap Counterparty specified in the Constituting Instrument under which a Swap Counterparty may make certain payments and/or deliveries of securities or other assets to the Issuer in respect of amounts due on or deliveries in respect of the Notes and Receipts or Coupons (if any) and the Issuer may make certain payments and/or deliveries of securities or other assets to that Swap Counterparty on receipt thereof by the Issuer out of sums or deliveries received by the Issuer on the Charged Assets all as more particularly described in the Constituting Instrument. Any Charged Agreement may, subject in the case of a rated Series to the requirements of any relevant recognised debt rating agency which at any time has assigned a current rating to the Notes at the request of the Issuer (such recognised debt rating agency or any such successor or replacement thereto or therefor or alternative rating agency being herein referred to as a "**Rating Agency**", and the terms "**rated**" and "**rating**" shall be construed accordingly), contain provisions requiring the relevant Swap Counterparty to deposit security, collateral or margin, or to provide a guarantee, in certain circumstances all as more particularly described in the Constituting Instrument. In the absence of such requirement, no such security, collateral, margin or guarantee will be made or provided. Each Charged Agreement will terminate if the Notes are redeemed pursuant to Condition 7(b), Condition 7(c), Condition 7(d), Condition 7(e) or Condition 7(f) and will be partially or wholly terminated in the event of a redemption pursuant to Condition 7(h) or Condition 7(k), a purchase pursuant to Condition 7(i) or on an exchange pursuant to Condition 7(j). In the event of an early termination, either party to a Charged Agreement may be liable to make a termination payment to the other as provided in such Charged Agreement.

To the extent that a Swap Counterparty fails to make payments due to the Issuer under any Charged Agreement the Issuer will be unable to meet its obligations in respect of the Notes or the Receipts or Coupons (if any). In such event, the Charged Agreement will be terminated and, subject to Condition 4(c), the Notes will become repayable in accordance with Condition 7.

The Trust Deed provides that the Trustee shall not be bound or concerned to, nor will the Issuer, make any investigation into the creditworthiness of any Swap Counterparty or any guarantor thereof, the validity or enforceability of any of any Swap Counterparty's

obligations under any Charged Agreement or of any guarantee of any such obligation or any of the terms of any Charged Agreement (including, without limitation, whether the cashflows from the Charged Assets, any Charged Agreement and the Notes are matched) or any such guarantee.

Further information relating to Charged Agreements is provided in "Description of Charged Agreements".

(c) *Realisation of the Collateral upon redemption pursuant to Condition 7(g), 7(h), 7(i) or 9*

In the event of the security constituted by the relevant Trust Deed and any Additional Charging Instrument becoming enforceable as provided in Condition 7(g), 7(h), 7(i) or 9, the Trustee shall have the right to enforce its rights under the Trust Deed and/or if applicable, any Additional Charging Instrument in relation to the Collateral and shall do so if so directed (i) in writing by the holders of at least one-fifth in principal amount of the Notes then outstanding or (ii) by an Extraordinary Resolution of the Noteholders or (iii) in writing by a Swap Counterparty (if any) if the relevant Charged Agreement (if any) has terminated in accordance with its terms and any sum remains owing to the Swap Counterparty under such Charged Agreement, but in each case without any liability as to the consequence of such action and without having regard to the effect thereof on, or being required to account for such action to, individual Noteholders or any Swap Counterparty, provided that the Trustee shall not be required to take any action unless, at its request, it is first secured and/or indemnified and/or prefunded to its satisfaction. If so specified in the Constituting Instrument, a Realisation Agent may be appointed in respect of a particular Series of Notes on the terms set out in the Constituting Instrument, provided that the Realisation Agent, on written notice to the Issuer and the Trustee, may resign its appointment as Realisation Agent at any time (with or without reason) and without any liability therefor, whereupon the terms and provisions in this Condition 4(c) in respect of such Realisation Agent and Series of Notes shall not apply to the Realisation Agent specified in such Constituting Instrument.

In addition, if a Realisation Agent has been appointed in respect of a particular Series of Notes, and the Notes are to be redeemed (in whole or in part) under Condition 7(g), 7(h), 7(i) or 9 and it is necessary for the Issuer to sell the Charged Assets or part thereof, the Issuer shall instruct the Realisation Agent to arrange for and administer such sale in accordance with this Condition 4(c), provided that the Realisation Agent, if it elects to act as Realisation Agent, shall not be required to take any action unless, at its request, it is first indemnified to its satisfaction by the Issuer and/or by the holder or holders of the Notes. By its purchase of any Notes, each holder thereof hereby fully and irrevocably releases the Realisation Agent and holds it harmless from any and all liability (however arising or based, in contract, tort, equity or otherwise) in respect of its actions or failures to act as Realisation Agent, except for any liability that shall have been caused by the Realisation Agent's own fraud or wilful default. In connection with the foregoing, the security created over the relevant Charged Assets pursuant to the Trust Deed and/or any Additional Charging Instrument shall be released by the Trustee to the extent necessary to realise such Charged Assets. In connection with the foregoing, the Trustee shall have the right to (but shall not be obliged to), or shall if so directed (a) (i) in writing by the holders of at least one-fifth in principal amount of the Notes then outstanding or (ii) by an Extraordinary Resolution of the Noteholders, and (b) in writing by a Swap Counterparty (if any), by notice to the Realisation Agent and the Custodian, require any such instruction from the Issuer to the Realisation Agent to require the prior approval in writing of the Trustee. Where any such notice is so given to the Realisation Agent and the Custodian by the Trustee, neither the Realisation Agent nor the Custodian shall act on any such instruction of the Issuer contemplated in this Condition 4(c) without the prior written approval of the Trustee. The Trustee shall not be required to take any action contemplated in this Condition 4(c) unless, at its request, it is first secured and/or indemnified and/or prefunded to its satisfaction.

If a Realisation Agent has been appointed in respect of the Notes, the Realisation Agent shall endeavour to sell or otherwise realise the Charged Assets within a period (the "**Realisation Period**") of not less than 30 Business Days nor more than 40 Business Days from the date on which it receives an instruction (as approved by the Trustee, where applicable) to do so at such price as is determined in accordance with this Condition 4(c) and on such terms as the Realisation Agent determines in its sole and absolute discretion are available in the market at such time (consistent with the price obtained), less all costs and expenses, including without limitation any commissions, taxes, fees, duties or other charges applicable thereto. The Issuer will procure that, so long as any Note remains outstanding, there shall at all times be a Realisation Agent if

provision is made for the same in the related Constituting Instrument and which unless specified otherwise in the Constituting Instrument shall be the Swap Counterparty.

If the Realisation Agent is unable or unwilling to act as such the Issuer will, with the prior written consent of the Trustee and the Swap Counterparty, appoint the London office of a leading international investment bank to act as such.

If the Realisation Agent has not been able to liquidate all or part of the Charged Assets within the Realisation Period it must sell them at its expiry, irrespective of the price obtainable and regardless if such price is close to or equal to zero. If, however, the Realisation Agent determines that there is no available market for the Charged Assets, or if the Realisation Agent otherwise determines that it is impossible to sell or otherwise realise the Charged Assets or any part thereof, the Realisation Agent will promptly notify the Issuer, the Trustee and the Swap Counterparty of such lack of availability or impossibility and the Realisation Agent shall not be required to effect the sale or other realisation of the Charged Assets or any part thereof. Any such determination by the Realisation Agent shall be in its sole discretion and shall be binding on the Issuer, the Trustee, the Swap Counterparty, the Noteholders and the other Secured Creditors. In the event that the Realisation Agent makes such determination the Trustee at its discretion may, and shall if so requested or directed in accordance with the first paragraph of this Condition 4(c) (but subject in each case to its being secured and/or indemnified and/or prefunded in accordance with such paragraph), realise all or part of the Charged Assets by other means.

In order to liquidate all or part of the Charged Assets within the Realisation Period, the Realisation Agent shall only be required to take reasonable care to ascertain a price that is available for the sale or other realisation of the Charged Assets at the time of the sale or other realisation for transactions of the kind and size concerned and the Realisation Agent shall not be required to delay the sale or other realisation for any reason including the possibility of achieving a higher price. The Realisation Agent shall sell at a price which it reasonably believes to be representative of the price available in the market for the sale of the Charged Assets in the appropriate size taking into account the length of the Realisation Period and the total amount of Charged Assets to be sold during that Realisation Period. In carrying out the sale or other realisation of the Charged Assets, the Realisation Agent may sell to its affiliates or to the Swap Counterparty provided that (i) the Realisation Agent shall sell at a price which it believes to be a fair market price or (ii), where the amount payable to the Noteholders varies according to the sale price obtained, the Trustee is satisfied that the sale price is a fair market price. A sale price shall be deemed to be a fair market price if the Realisation Agent certifies to the Trustee that two financial institutions, funds, dealers or other persons that deal in, or enter into transactions referencing, obligations of the same type as the Charged Assets, have either refused to buy the relevant securities in whole or offered to buy them at a price equal to or less than such sale price.

The Realisation Agent shall not be liable (i) to account for anything except the actual net proceeds of the Charged Assets received by it or (ii) for any costs, charges, losses, damages, liabilities or expenses arising from or connected with the sale or otherwise unless such costs, charges, losses, damages, liabilities or expenses shall have been caused by its own fraud or wilful default. Nor shall the Realisation Agent be liable to the Issuer, the Noteholders, the Trustee or any other person merely because a higher price could have been obtained had the sale or other realisation been delayed or to pay to the Issuer, the Noteholders, the Trustee or any other person interest on any proceeds from the sale or other realisation held by it at any time. The Realisation Agent may, notwithstanding that its interests and the interests of holders of the Notes may conflict, pursue such actions and take such steps as it deems necessary or appropriate in its sole and absolute discretion to protect its interests, without regard to whether such action or steps might have an adverse effect on the Notes, Charged Assets, or other obligations or interests of the issuers or obligors thereof or any holders of Notes.

The Trustee shall have no responsibility or liability for the performance by the Realisation Agent of its duties under this Condition 4(c) or for the price at which any of the Charged Assets may be sold or otherwise realised.

The net sums (if any) realised upon the security becoming enforceable pursuant to the Conditions (after meeting the expenses and remuneration of and any other amounts due to the Trustee or any receiver and the claims of any other person ranking ahead of the Swap

Counterparty and the Noteholders in accordance with the order of payments described in Condition 4(d)) may be insufficient to pay all the amounts due to each Swap Counterparty (if any) and to the Noteholders. In such event, any shortfall shall, unless otherwise specified in the Constituting Instrument, be borne by the Noteholders and by each Swap Counterparty (if any) and any other persons entitled to the benefit of the security pursuant to the Constituting Instrument in the inverse of the order of priority described in Condition 4(d) and as more particularly specified in the Constituting Instrument and/or any Additional Charging Instrument, if applicable.

(d) *Application*

After meeting the expenses and remuneration of and any other amounts due to the Trustee, including in respect of liabilities incurred, or to any receiver appointed pursuant to the relevant Trust Deed and/or, if applicable, any Additional Charging Instrument, in each case in respect of the Notes, and subject as provided in such Constituting Instrument and/or, if applicable, any Additional Charging Instrument, the net proceeds of the enforcement of the security constituted pursuant to the relevant Trust Deed and/or, if applicable, any Additional Charging Instrument will be applied as follows:

- (i) firstly, (a) in meeting the claims (if any) of the Custodian, the Principal Paying Agent and the Registrar in respect of any amounts payable by the Issuer in relation to the Notes under the Custody Agreement or the Agency Agreement respectively (including but not limited to any amounts of value added tax or other taxes due to any applicable revenue authorities); (b) in meeting the claims (if any) of the Custodian for reimbursement in respect of payment of any amount in respect of the Charged Assets made to the Issuer and/or the Principal Paying Agent on its behalf prior to receipt of the same by the Custodian; and (c) in meeting the claims (if any) of the Principal Paying Agent for reimbursement in respect of payment of principal and interest made to the Noteholders prior to receipt of the same by the Principal Paying Agent, each of the claims in (a), (b) and (c) above to rank *pari passu* and rateably;
- (ii) secondly, in meeting the claims (if any) of the Swap Counterparty under the Charged Agreement;
- (iii) thirdly, in meeting the claims (if any) of the Noteholders *pari passu* and rateably; and
- (iv) fourthly, in payment of the balance (if any) to the Issuer,

or any other basis of distribution provided for in the relevant Constituting Instrument.

(e) *Shortfall after application of proceeds*

If the net proceeds of the security constituted pursuant to the relevant Trust Deed and/or, if applicable, any Additional Charging Instrument for any Series of Notes, such security having been enforced under Condition 4(c), are not sufficient (after meeting the expenses and remuneration of and any other amounts due to the Trustee or any receiver and the claims of any other person ranking ahead of the Swap Counterparty and the Noteholders in accordance with the order of payments described in Condition 4(d)) to make all payments due in respect of the Notes and Receipts or Coupons (if any) and for the Issuer to meet its obligations (if any) in respect of the termination of each Charged Agreement (if any) or otherwise in respect of that Series, the other assets of the Issuer (including, without limitation, assets securing or otherwise attributable to any other Series of Notes) will not be available for payment of any shortfall arising therefrom or to meet any other claim of whatever nature howsoever arising. Any such shortfall will be borne, following enforcement of the security for the Notes, first by the Noteholders, then by any such Swap Counterparty and then by any other persons entitled to the benefit of the security ranking in priority thereto, in accordance with the order of priorities on enforcement specified in Condition 4(d), unless otherwise provided in the applicable Series Memorandum and the related Constituting Instrument and/or Additional Charging Instrument, if applicable. Claims (including without limitation after as well as before any court judgment or arbitral award) in respect of any such shortfall remaining after realisation of the security under Condition 4(c) and application of the proceeds in accordance with the relevant Trust Deed and Condition 4(d), and any other claims (including as aforesaid) of whatever nature howsoever arising, shall be extinguished and failure to make any

payment in respect of any such shortfall or claim shall in no circumstances constitute an Event of Default under Condition 9 in respect of the Notes or in respect of any notes of any other Series.

None of the Trustee, any Noteholder or any Swap Counterparty or any other secured party, shall be entitled to petition or take any other step for the winding-up of the Issuer in relation to any shortfall in respect of any Series remaining after the realisation of the security under Condition 4(c) or otherwise on any other grounds in respect of any claim of whatever nature, nor shall any of them have any claim in respect of any sums due but still unpaid and/or which may become due and/or howsoever arising or on any account whatsoever over or in respect of any assets of the Issuer other than the Collateral for the Series to which the Notes relate, whether or not such assets are or purport to be security for any other Series.

Neither the Trustee nor the Custodian is under any obligation to maintain any insurance in respect of any part of the security constituted pursuant to the relevant Trust Deed, whether against loss of such security by theft or fire, in respect of fraud or forgery or against any other risk whatsoever.

5. Restrictions

So long as any of the Notes remain outstanding (as defined in the Trust Deed), the Issuer has covenanted that it will not, without the prior written consent of the Trustee and each Swap Counterparty (if any):

- (A) engage in any activity or do anything whatsoever except:
- (i) issue or enter into or create the Notes or other series of notes (each a "**Discrete Series**") or Alternative Investments (as defined below) and provided always that any such Discrete Series or Alternative Investments are issued, entered into or created on terms that such Discrete Series or Alternative Investments is or are secured on or otherwise limited in recourse to specified assets of the Issuer (or the proceeds thereof or an amount equivalent thereto) which do not form part of the Collateral for the Notes or (unless expressly specified by the terms and conditions applicable to a Discrete Series or to any Alternative Investments) the assets securing, or to which recourse is otherwise limited in respect of, any other Discrete Series or any other Alternative Investments and on terms which provide for the extinguishment of all claims in respect of such Discrete Series or Alternative Investments after application of the proceeds of the specified assets on which such Discrete Series or Alternative Investments is or are secured or to which recourse is otherwise limited;
 - (ii) enter into the Trust Deed, the Agency Agreement, any Custody Agreement and any Charged Agreement in relation to the Notes and all other deeds and agreements of any other kind related thereto, the Administration Agreement, the Series Proposal Agreement and the Deed of Floating Charge (if any) (the Administration Agreement, the Series Proposal Agreement and the Deed of Floating Charge (if any), together the "**Additional Agreements**") and any trust deed, agency agreement, custody agreement and charged agreement relating to any Discrete Series or Alternative Investments and all other deeds or agreements of any other kind related thereto, but provided always that any such agreement or deed is entered into on terms that the obligations of the Issuer thereunder are secured on or otherwise limited in recourse to specified assets of the Issuer (other than the proceeds of its issued share capital, any transaction fees paid to it for agreeing to issue any Notes or enter into any Alternative Investments and any account in which such moneys are held) which do not form part of the Collateral for the Notes or (unless expressly specified by the terms and conditions applicable to a Discrete Series or to any Alternative Investments) the assets securing or to which recourse is otherwise limited in relation to, any other Discrete Series or any other Alternative Investments and on terms which provide for extinguishment of all claims in respect of such obligations after application of the proceeds of realisation of the specified assets on which such indebtedness or obligation is secured or to which recourse is otherwise limited;
 - (iii) acquire or hold, or enter into any agreement to acquire or hold or constitute, the Collateral in respect of the Notes, or the assets securing its obligations, or to which recourse is

otherwise limited, under or in respect of the Notes or any Discrete Series or Alternative Investments;

- (iv) perform its obligations under the Notes, the Trust Deed, the Agency Agreement, any Custody Agreement, any Charged Agreement, the Additional Agreements and all the deeds or agreements incidental to the issue and constitution thereof or of the security therefor and under any Discrete Series or any Alternative Investments and the trust deed, agency agreement, custody agreement, charged agreement and all other deeds or agreements incidental to the issue or entering into and constitution of, or the granting of security for, Discrete Series or Alternative Investments;
 - (v) enforce any of its rights under the Notes, the Trust Deed, the Agency Agreement, any Custody Agreement, any Charged Agreement, the Additional Agreements or any other deed or agreement entered into in connection with the Notes, and under the trust deed, the agency agreement, any custody agreement, any charged agreement or any other deed or agreement entered into in connection with any Discrete Series or Alternative Investments; or
 - (vi) perform any act incidental to or necessary in connection with the Notes, the Trust Deed, the Agency Agreement, any Custody Agreement, any Charged Agreement, the Additional Agreements or any Discrete Series or Alternative Investments or any other deed or agreement entered into in connection with the Notes or any Discrete Series or Alternative Investments or in connection with any of the above;
- (B) have any subsidiaries or employees;
 - (C) subject to sub-paragraph (A) above and save as have been expressly permitted by the Trust Deed, dispose of any of its property or other assets or any part thereof or interest therein (subject as provided in the terms and conditions applicable to any Discrete Series or Alternative Investments);
 - (D) declare or pay any dividends;
 - (E) issue or create any Discrete Series or (if applicable) enter into any Alternative Investments, unless the trustee thereof is the same person as the Trustee for the Notes;
 - (F) purchase, own, lease or otherwise acquire any real property;
 - (G) consolidate or merge with any other person;
 - (H) issue any further shares; or
 - (I) issue or create any Series of Notes or Alternative Investments unless either (a) the trustee thereof is the same person as the Trustee for the Notes or (b) (if there is a Deed of Floating Charge) the Trustee has received legal advice satisfactory to it from reputable legal advisers in England and the jurisdiction of incorporation of the Issuer to the effect that the appointment of a person other than the Trustee as trustee of such Series of Notes or Alternative Investments or, as the case may be, the absence thereof, will not adversely affect the ability of the Trustee to appoint an administrative receiver over the assets of the Issuer pursuant to the Deed of Floating Charge.

As used in these Conditions:

"Alternative Investments" means any agreement, instrument or other transaction issued or entered into by the Issuer pursuant to which the Issuer has an obligation for the payment or repayment of money and/or to deliver or redeliver securities which is specified in the relevant Constituting Instrument constituting the same to be an "Alternative Investment" of the Issuer.

6. Interest

Words and expressions used in this Condition are defined (unless defined elsewhere in these Conditions) in Condition 6(l).

(a) *Interest Rate and Accrual*

Each Note (other than a Zero Coupon Note) bears interest on its Calculation Amount from and including the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Interest Rate, such interest being payable in arrears on each Interest Payment Date. Interest shall accrue from and including one Interest Payment Date (or, as the case may be, the Interest Commencement Date) to but excluding the next following Interest Payment Date.

Interest will cease to accrue on each Note on the due date for redemption unless, upon due presentation thereof, payment of principal is improperly withheld or refused, in which event interest will continue to accrue (as well after as before judgment) at the Interest Rate and in the manner provided in this Condition 6 until the Relevant Date (as defined in Condition 7(f)(3)).

(b) *Business Day Convention*

If any date referred to in these Conditions which is specified to be subject to adjustment in accordance with a business day convention would otherwise fall on a day which is not a Relevant Business Day, then, if the business day convention specified in the Constituting Instrument is (i) the Floating Rate Convention, such date shall be postponed to the next day which is a Relevant Business Day unless it would thereby fall into the next calendar month, in which event (aa) such date shall be brought forward to the immediately preceding Relevant Business Day and (bb) each subsequent such date shall be the last Relevant Business Day of the month in which such date would have fallen, (ii) the Following Business Day Convention, such date shall be postponed to the next day which is a Relevant Business Day, (iii) the Modified Following Business Day Convention, such date shall be postponed to the next day which is a Relevant Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Relevant Business Day or (iv) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Relevant Business Day.

(c) *Interest Rate on Floating Rate Notes*

If a Note is a Floating Rate Note, the Interest Rate will, subject as provided below, be determined by reference to a Benchmark as adjusted by adding thereto or subtracting therefrom the Spread (if any) or by multiplying such rate by the Spread Multiplier (if any).

The Interest Rate payable from time to time in respect of each Floating Rate Note will be determined by the Interest Calculation Agent on the basis of the following provisions:

(1) At or about the Relevant Time on the relevant Interest Determination Date in respect of each Interest Period, the Interest Calculation Agent will:

(A) in the case of Floating Rate Notes where it is specified in the Constituting Instrument that the Primary Source for Interest Rate Quotations shall be derived from a specified page, section or other part of a particular information service (each as specified in the Constituting Instrument), determine the Interest Rate for such Interest Period which shall, subject as provided below, be:

- (i) the Relevant Rate so appearing in or on that page, section or other part of such information service (where such Relevant Rate is a composite quotation or interest rate per annum or is customarily supplied by one entity), or
- (ii) the arithmetic mean (rounded, if necessary, to the nearest one-hundred thousandth of a percentage point, 0.000005 being rounded upwards) of the Relevant Rates of the persons at that time whose Relevant Rates so appear in or on that page, section or other part of such information service,

in any such case in respect of Euro-currency deposits in the relevant currency for a period equal to the period in question more particularly referred to in the Benchmark and as adjusted by the Spread or Spread Multiplier (if any); and

- (B) in the case of Floating Rate Notes where it is specified in the Constituting Instrument that the Primary Source of Interest Rate Quotations shall be the four or more Reference Banks specified in the Constituting Instrument and in the case of Floating Rate Notes falling within Condition 6(c)(1)(A) but in respect of which no Relevant Rates appear at or about such Relevant Time or, as the case may be, which are to be determined by reference to quotations of persons appearing in or on the relevant page, section or other part of such information service, but in respect of which less than two Relevant Rates appear at or about such Relevant Time, request the principal office in the Relevant Financial Centre of each of the Reference Banks (or, as the case may be, any substitute Reference Bank appointed from time to time pursuant to Condition 6(h)) to provide the Interest Calculation Agent with its Relevant Rate quoted to leading banks for Euro-currency deposits in the relevant currency for a period equivalent to the duration of such Interest Period. Where this Condition 6(c)(1)(B) shall apply, the Interest Rate for the relevant Interest Period shall, subject as provided below, be the arithmetic mean (rounded, if necessary, to the nearest one-hundred thousandth of a percentage point, 0.000005 being rounded upwards) of such Relevant Rates as calculated by the Interest Calculation Agent as adjusted by the Spread or Spread Multiplier (if any).
- (2) If at or about the Relevant Time on any Interest Determination Date where the Interest Rate falls to be determined pursuant to Condition 6(c)(1)(B) in respect of a Floating Rate Note, two or three only of such Reference Banks provide such relevant quotations, the Interest Rate for the relevant Interest Period shall, subject as provided below, be determined as aforesaid on the basis of the Relevant Rates quoted by such Reference Banks.
- (3) If at or about the Relevant Time on any Interest Determination Date where the Interest Rate falls to be determined pursuant to Condition 6(c)(1)(B) in respect of a Floating Rate Note, only one or none of such Reference Banks provide such Relevant Rates, the Interest Rate for the relevant Interest Period shall be the rate per annum (expressed as a percentage) which the Interest Calculation Agent determines to be the arithmetic mean (rounded, if necessary, to the nearest one-hundred thousandth of a percentage point, 0.000005 being rounded upwards) of the Relevant Rates in respect of the relevant currency which banks in the Relevant Financial Centre of the country of such currency selected by the Interest Calculation Agent (after consultation with the Trustee) are quoting at or about the Relevant Time (in such Relevant Financial Centre) on the relevant Interest Determination Date for a period equivalent to such Interest Period to leading banks carrying on business in that Relevant Financial Centre, as adjusted by the Spread or Spread Multiplier (if any) except that, if the banks so selected by the Interest Calculation Agent are not quoting as aforesaid, the Interest Rate shall be the Interest Rate in effect for the last preceding Interest Period to which Condition 6(c)(1)(A) or 6(c)(1)(B) or 6(c)(2) (as the case may be) shall have applied,

provided always that the Interest Rate shall be subject to a minimum of zero.

(d) *Interest Rate on Zero Coupon Notes*

Where a Note the Interest Rate of which is specified to be Zero Coupon is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date (as defined in Condition 7(a)) shall be the "**Amortised Face Amount**" of such Note as determined in accordance with Condition 7(f)(3). As from the Maturity Date or other date for redemption, any overdue principal of such Note shall bear interest at a rate per annum (expressed as a percentage) equal to the "**Amortisation Yield**" specified in the Constituting Instrument (as well after as before judgment) to the Relevant Date (as defined in Condition 7(f)(3)).

(e) *Minimum/Maximum Rates*

If a Minimum Interest Rate is specified in the Constituting Instrument, then the Interest Rate shall in no event be less than it and if there is so specified a Maximum Interest Rate, then the Interest Rate shall in no event exceed it.

(f) *Determination of Interest Rate and calculation of Interest Amounts*

The Interest Calculation Agent will, as soon as practicable after the Relevant Time on each Interest Determination Date, determine the Interest Rate and calculate the Interest Amounts for the relevant Interest Period. The amount of interest payable in respect of any Note for any period shall be calculated by multiplying the product of the Interest Rate and the Calculation Amount of such Note by the Day Count Fraction specified in the Constituting Instrument, unless an Interest Amount is specified in respect of such period, in which case the amount of interest payable in respect of such Note for such period will equal such Interest Amount. The determination of the Interest Rate and the calculation of the Interest Amounts by the Interest Calculation Agent shall (in the absence of manifest error) be final and binding upon all parties.

(g) *Notification of Interest Rate and Interest Amounts*

The Interest Calculation Agent will cause the Interest Rate and the Interest Amounts for each Interest Period and the relevant Interest Payment Date to be notified to the Trustee, the Issuer, the Principal Paying Agent, or, in the case of Registered Notes, the Registrar, and each of the Paying Agents and, for as long as the Notes are Listed Notes (as defined below) and the rules of the relevant stock exchange or competent authority so require, any stock exchange or competent authority on or by which the Notes are listed or traded and to be notified to Noteholders in accordance with Condition 14 as soon as possible after their determination but in no event later than the fifth Relevant Business Day thereafter. The Interest Amounts and the Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable under Condition 9, the accrued interest and the Interest Rate in respect of the Notes shall nevertheless continue to be calculated and determined as previously in accordance with this Condition 6 but no publication of the Interest Rate or the Interest Amount so determined and calculated need be made.

As used in these Conditions, "**Listed Notes**" means Notes which are listed on any stock exchange.

(h) *Interest Calculation Agent and Reference Banks*

The Issuer will procure that, so long as any Note remains outstanding, there shall at all times be at least four Reference Banks with offices in the Relevant Financial Centre and an Interest Calculation Agent if provision is made for them in the Constituting Instrument. If any Reference Bank (acting through its relevant office) is unable or unwilling to continue to act as a Reference Bank then the Issuer will appoint another Reference Bank with an office in the Relevant Financial Centre to act as such in its place. If the Interest Calculation Agent is unable or unwilling to act as such, the Issuer will, with the prior written consent of the Trustee, appoint the London office of a leading bank engaged in the London interbank market to act as such in its place and its determination shall be final and binding on the parties. The Interest Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

(i) *Determination or calculation by Trustee*

If the Interest Calculation Agent does not at any time for any reason so determine the Interest Rate and calculate the Interest Amounts for an Interest Period (as provided in Condition 6(f)), the Trustee may (but shall not be obliged to) do so, provided that there are no regulatory implications in doing so and that the Trustee shall not perform such calculations in case of unavailability of the relevant benchmark. In doing so, the Trustee shall apply the provisions of Condition 6(f), with any necessary consequential amendments, to the extent that, in its sole opinion, it can do so, and, in all other respects it shall do so in such manner as it shall, in its absolute discretion, deem fair and reasonable in all the circumstances, and each such determination or calculation shall be deemed to have been made by the Interest Calculation Agent.

(j) *Administrator/Benchmark Event*

- (1) On or after an Administrator/Benchmark Event Determination Date, (i) the Interest Calculation Agent shall, in its sole and absolute discretion, provide an Administrator/Benchmark Notification (the date of such Administrator/Benchmark

Notification, the “**Administrator/Benchmark Notification Date**”) and (ii) the Interest Calculation Agent may but is not obliged to undertake one or more of the following actions (“**Replacement Benchmark Remedial Actions**”) and determine the effective date thereof (such date, the “**Replacement Benchmark Remedial Actions Effective Date**”):

- (A) select a Replacement Benchmark(s);
- (B) adjust or determine any spread (an “**Adjustment Spread**”) to be applied to such Replacement Benchmark(s) and/or applied to the Relevant Benchmark in satisfaction of any Replacement Benchmark Remedial Action Criteria; and/or
- (C) make such other adjustments (the “**Replacement Benchmark Ancillary Amendments**”) to the Conditions of the Notes of a Series, the Constituting Instrument, each Charged Agreement (if any) in respect of that Series and/or any other ancillary agreements in respect of that Series which the Interest Calculation Agent determines are necessary or appropriate in order to (a) account for the effect of the replacement of the Relevant Benchmark(s) with the Replacement Benchmark(s) (including, but not limited to, the business day, business day convention, day count fraction, spread, rates, interest periods, interest payment dates and/or any other factors used to determine any rate of interest) and/or (b) to preserve as closely as reasonably practicable the economic equivalence of (i) the Notes of a Series before and after the replacement of the Relevant Benchmark(s) with the Replacement Benchmark(s), and/or (ii) any transactions under each Charged Agreement (if any) in respect of that Series before and after the replacement of the Relevant Benchmark(s) with the Replacement Benchmark(s) and/or before and after the occurrence of a Bond Benchmark Disruption Event (as applicable),

save, in each case, that the Interest Calculation Agent will not undertake any such actions or make any such determinations if it determines that it is currently or will in future be unlawful under any applicable law, regulation or licensing requirement for the Issuer and/or the Interest Calculation Agent on behalf of the Issuer to carry out Replacement Benchmark Remedial Actions (including the determination of any Replacement Benchmark).

- (2) If on any date following the occurrence of an Administrator/Benchmark Event Determination Date but prior to (i) the occurrence of a Replacement Benchmark Remedial Actions Effective Date as determined by the Interest Calculation Agent in accordance with Condition 6(j)(1), and/or (ii) the occurrence of an Administrator/Benchmark Early Redemption Event:
 - (A) any amounts or calculations in respect of the Notes of a Series and/or each Charged Agreement (if any) in respect of that Series fall to be determined by reference to the Relevant Benchmark(s) then:
 - (i) the level of the Relevant Benchmark shall be determined pursuant to the terms that would apply to the determination of the Relevant Benchmark as if no Administrator/Benchmark Event had occurred; or
 - (ii) if the Interest Calculation Agent determines that it is impracticable, impossible, or it would be in breach of any legal, regulatory or licensing requirements to make any such determination in (i), such amount(s) or calculation(s) any such amount(s) or calculation(s) shall be determined instead by reference to the rate published for such Relevant Benchmark(s) on the last day on which the Interest Calculation Agent determines that it was practicable to use such rate,

provided that, if the Interest Calculation Agent determines in its sole and absolute discretion that a determination pursuant to items (i) or (ii) above is impracticable, impossible, or it would be in breach of any legal, regulatory or licensing requirements to make any such determination, then the Interest Calculation Agent shall be entitled to determine such amounts or calculations using its commercially

reasonable determination of the level for such Relevant Benchmark and in reaching such determination it may consider inter alia the determinations and/or methodology then being used to determine the level for such Relevant Benchmark by leading market participants that are subject to the same relevant legal, regulatory and licensing requirements, in relation to the relevant OTC derivatives market; and

(B) notwithstanding the foregoing in sub-paragraph (A) above, where a Bond Benchmark Disruption Event has occurred or occurs, any payment that falls to be made during such period as determined by reference to any amount payable in respect of the relevant Charged Assets, shall reflect any amendments made to such Charged Assets that are in effect and are contemplated in the Bond Benchmark Disruption Event and the Interest Calculation Agent may in its sole and absolute discretion make adjustments to such other payment amounts or calculations that fall to be determined in respect of a Series of Notes in order to preserve as closely as reasonably practicable the economic equivalence of any transactions under each Charged Agreement (if any) in respect of that Series before and after the occurrence of a Bond Benchmark Disruption Event.

(3) Neither the Interest Calculation Agent or any other party shall be under any obligation to monitor whether or not an Administrator/Benchmark Event has occurred.

(4) The provisions of this Condition 6 (j) and the consequences thereof shall apply separately to each Relevant Benchmark.

(k) *Consequences of Replacement Benchmark Remedial Actions*

(1) If the Interest Calculation Agent elects to undertake one or more Replacement Benchmark Remedial Actions in respect of a Series of Notes, the Interest Calculation Agent shall deliver:

(A) a notice to the Issuer (such notice, the "**Replacement Benchmark Notice**") (copied to the Agents, the Trustee and the Swap Counterparty (if any)) specifying the specific terms of any Replacement Benchmark Remedial Actions (including the Replacement Benchmark Remedial Actions Effective Date);

(B) a notification to the Trustee (such notice, a "**Replacement Benchmark Amendments Notice**") specifying the details of the Replacement Benchmark Remedial Action(s) and outlining that (as applicable) any Adjustment Spread(s) and/or Replacement Benchmark Ancillary Amendments are as determined by the Interest Calculation Agent to the best of its knowledge and belief as at the date of such Replacement Benchmark Amendments Notice (or such other date specified therein), (A) in the case of an Administrator/Benchmark Event Determination Date that does not relate to a Bond Benchmark Disruption Event, necessary or appropriate in order to account for the effect of the replacement of the Relevant Benchmark(s) with the Replacement Benchmark(s) (as may be adjusted by the Adjustment Spread(s)) and/or in satisfaction of any Replacement Benchmark Remedial Action Criteria; or (B) in the case of an Administrator/Benchmark Event Determination Date relating to a Bond Benchmark Disruption Event, that are necessary or appropriate in order to preserve, to the extent that the Interest Calculation Agent determines reasonably practicable, the economic position of the Swap Counterparty under the Charged Agreement (if any) in respect of such Series with respect to payment flows payable to the Swap Counterparty (if any) under the Charged Agreement in respect of such Series relating to the Charged Assets (which for these purposes shall be deemed to be comprised of Charged Assets with an aggregate notional amount equal to the initial reference amount of such

Charged Assets in respect of such Series) as at the Trade Date and/or to mitigate the effect on such payment flows (and the related amounts payable under the Charged Assets) as a result of any matters arising under the Bond Benchmark Disruption Event.

- (C) The Trustee shall accept as sufficient evidence of any fact or matter, without further enquiry and without liability to any person for so doing, a Replacement Benchmark Amendments Notice and shall be entitled to rely absolutely on such Replacement Benchmark Amendments Notice without any investigation or enquiry and shall have no liability or responsibility (including, without limitation, for any loss that may be suffered as a result of the implementation of any such Replacement Benchmark Remedial Actions) for so doing.
- (2) If the Issuer receives a Replacement Benchmark Notice from the Interest Calculation Agent no later than two calendar days before the Benchmark Adjustment Long Stop Date and the related Replacement Benchmark Amendments Notice is delivered to the Trustee by no later than the same date, the terms and conditions of the Notes of a Series, the terms of the Charged Agreement (if any) in respect of such Series, the terms of the Constituting Instrument in respect of such Series, and the terms of any other Series Document identified in the Replacement Benchmark Notice as being subject to the Replacement Benchmark Remedial Actions shall automatically be deemed amended to give effect to the Replacement Benchmark Remedial Actions as applicable to the terms and conditions of the Notes in respect of such Series and/or relevant Series Documents (and the same shall be construed in accordance with the applicable Replacement Benchmark Remedial Actions) with effect from the Replacement Benchmark Remedial Actions Effective Date (and the Issuer and each other party to each such Series Document has agreed therein to the same and to take such actions, at the cost of the Issuer, as may be required to give effect to the same), without (save where identified as necessary by the Interest Calculation Agent) any further action being required by any party and without any consent of the Trustee or Noteholders being required in connection therewith.
- (3) In connection with Condition 6(k)(2) above and in respect of a Series of Notes, references to (i) the Relevant Benchmark(s) in terms of the Notes, Charged Agreement, Constituting Instrument and any other Series Documents (as applicable) will be replaced by references to the Replacement Benchmark(s) as may be adjusted by the Adjustment Spread(s) (provided that the Replacement Benchmark(s), after application of any Adjustment Spread(s), may not be less than zero) and (ii) the terms and conditions of the Notes of a Series, Charged Agreement in respect of such Series (if any) and any other Series Documents shall be construed as reflecting any Replacement Benchmark Ancillary Amendments.
- (4) The Issuer shall as soon as reasonably practicable following the Replacement Benchmark Remedial Actions Effective Date deliver, or procure the delivery of (including, without limitation, by way of a third party acting on its behalf), a notice containing the details of the Replacement Benchmark Remedial Actions to the Noteholders in accordance with Condition 14.
- (5) From the Replacement Benchmark Remedial Actions Effective Date in respect of a Series of Notes, the Replacement Benchmark Remedial Actions specified in the related Replacement Benchmark Notice will be binding on the Issuer, the Swap Counterparty (if any), the Agents, the Trustee and the Noteholders, and, for the avoidance of doubt, there is no requirement to seek or obtain any consent from Noteholders or from the

Trustee in relation to such Replacement Benchmark Remedial Actions.

- (6) None of the Trustee, the Issuer, any Agent, the Arranger, the Dealer or the Swap Counterparty (if any) shall have any liability or responsibility for any loss suffered or incurred by any Noteholder as a result of (i) the implementation of any Replacement Benchmark Remedial Actions, (ii) the occurrence of an Administrator/Benchmark Early Redemption Event, and/or (iii) any other consequence or effect on a Series of Notes (including with respect to their value and/or return) arising as a result of items (i) and/or (ii) above.

(l) *Definitions*

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meaning set out below:

“Administrator/Benchmark Event” means the determination by the Interest Calculation Agent (acting in good faith and in a commercially reasonable manner), that any of the following events in respect of a Relevant Benchmark referenced in the Notes of a Series, the Charged Agreement (if any) or, in relation to a Bond Benchmark Disruption Event, the Charged Assets (save that the definition of Charged Assets for these purposes shall exclude the Charged Agreement (if any), any Eligible Credit Support and/or Equivalent Credit Support (each as defined in the Charged Agreement (if any))), has occurred at any time on or prior to such date of determination (with the Interest Calculation Agent being under no obligation to make such determination within any particular period following the occurrence of any such event) (such date of determination, the **“Administrator/Benchmark Event Determination Date”**):

- (i) Non-Approval Event;
- (ii) Rejection Event;
- (iii) Suspension/Withdrawal Event;
- (iv) Benchmark Cessation Event;
- (v) Benchmark Pre-Cessation Event; and/or
- (vi) Bond Benchmark Disruption Event.

“Administrator/Benchmark Notification” means a notice from or on behalf of the Interest Calculation Agent to the Issuer (copying the Trustee, the Swap Counterparty (if any) and the Agents) specifying, amongst other things, (i) the details of the underlying Administrator/Benchmark Event, (ii) the Benchmark Adjustment Long Stop Date, and (iii) that the Notes of a Series will automatically redeem in accordance with Condition 7 following the expiry of the Benchmark Adjustment Long Stop Date if the Interest Calculation Agent has not undertaken one or more Replacement Benchmark Remedial Actions in accordance with Condition 6(j).

“Benchmark” means LIBOR, LIBID, LIMEAN, EURIBOR or such other benchmark as may be specified as the Benchmark in the Constituting Instrument.

“Benchmark Cessation Event” means the occurrence of any of the following:

- (i) a public statement or publication of information by or on behalf of the administrator of the Relevant Benchmark(s) announcing that it has ceased or will cease to provide the Relevant Benchmark(s) permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the Relevant Benchmark(s); or
- (ii) a public statement or publication of information by the regulatory supervisor for the administrator of the Relevant Benchmark(s), the central bank for the currency of the Relevant

Benchmark(s), an insolvency official with jurisdiction over the administrator for the Relevant Benchmark(s), a resolution authority with jurisdiction over the administrator for the Relevant Benchmark(s) or a court or an entity with similar insolvency or resolution authority over the administrator for the Relevant Benchmark(s), which states that the administrator of the Relevant Benchmark(s) has ceased or will cease to provide the Relevant Benchmark(s) permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the Relevant Benchmark(s); or

- (iii) any event which otherwise constitutes an "index cessation event" (regardless of how it is actually defined or described in the definition of the Relevant Benchmark(s)) in relation to which, the definition or description of the Relevant Benchmark(s) includes a reference to a concept defined or otherwise described as an "index cessation event" (regardless of the contents of that definition or description); or
- (iv) a Relevant Benchmark(s) is the subject of any market-wide development in relation to OTC derivatives (including by way of any action taken or announcement made by any regulatory or industry body) pursuant to which such Relevant Benchmark(s) is, or shall be, replaced with an alternative rate to comply with the recommendations from the Financial Stability Board, including but limited to in their paper titled "Reforming Major Interest Rate Benchmarks" dated 22 July 2014.

"Benchmark Pre-Cessation Event" means a public statement or publication of information by the regulatory supervisor for the administrator of the Relevant Benchmark(s) announcing that the Relevant Benchmark(s) is no longer representative.

"Benchmark Regulation" means Regulation (EU) 2016/1011 of the European Parliament and the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending directives 2008/48/EC and 2014/17/EU and Regulation (EU) 596/2014 (as may be amended from time to time), including any subsidiary legislation or rules and regulations and associated guidance.

"Bond Benchmark Disruption Event" means, in respect of the Charged Assets (save that the definition of Charged Assets for these purposes shall exclude the Charged Agreement (if any), any Eligible Credit Support and/or Equivalent Credit Support (each as defined in the Charged Agreement (if any))), whether in accordance with the terms of such Charged Assets or otherwise:

- (i) any events that reference concepts defined in the terms of such Charged Assets or otherwise described as an "index cessation event", an "administrator and/or benchmark event" (in each case regardless of the contents of that definition or description); and/or
- (ii) any events that were analogous or substantially similar to a Non-Approval Event, Rejection Event, Suspension/Withdrawal Event, Benchmark Cessation Event and/or Benchmark Pre-Cessation Event,

the occurrence of which directly or indirectly results in or may result in (a) amendments being made and/or proposed to be made to the terms of the Charged Assets that impact, or may impact, the determination of any amounts payable in respect of such Charged Assets (including, but not limited to, the business day, business day convention, day count fraction, spread, rates, interest periods, interest payment dates and/or any other factors used to determine any rate of interest or payment of any amount in respect of such Charged Assets) and/or (b) the Relevant Benchmark in respect of such Charged Assets has been or may be adjusted, amended or replaced.

"Calculation Amount" means the amount specified as such in the Constituting Instrument, or if no such amount is so specified, the principal amount of any Note as shown on the face thereof.

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

- (i) if "**Actual/365**" or "**Actual/Actual**" is specified, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (a) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (b) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (ii) if "**Actual/Actual ICMA**" is specified:
 - (a) if the Calculation Period is equal to or shorter than the Interest Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Interest Period and (y) the number of Interest Periods normally ending in any year; and
 - (b) if the Calculation Period is longer than one Interest Period, the sum of:
 - (i) the number of days in such Calculation Period falling in the Interest Period in which it begins divided by the product of (1) the number of days in such Interest Period and (2) the number of Interest Periods normally ending in any year; and
 - (ii) the number of days in such Calculation Period falling in the next Interest Period divided by the product of (1) the number of days in such Interest Period and (2) the number of Interest Periods normally ending in any year;
- (iii) if "**Actual/365 (Fixed)**" is specified, the actual number of days in the Calculation Period divided by 365;
- (iv) if "**Actual/360**" is specified, the actual number of days in the Calculation Period divided by 360;
- (v) if "**30/360**", "**360/360**" or "**Bond Basis**" is specified, the number of days in the Calculation Period divided by 360 calculated on a formula basis as follows:

$$\frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

Day Count Fraction =

where

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

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

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

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

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

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

- (vi) if "30E/360" or "Eurobond Basis" is specified, the number of days in the Calculation Period divided by 360 calculated on a formula basis as follows:

$$\frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

Day Count Fraction =

where:

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

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

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

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

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

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

"Interest Amount" means the amount of interest payable in respect of each Authorised Denomination for the relevant Interest Period.

"Interest Commencement Date" means the Issue Date or such other date as may be specified as the Interest Commencement Date in the Constituting Instrument.

"Interest Determination Date" means, in respect of any Interest Period, the date specified as the Interest Determination Date in the Constituting Instrument, or, if none is so specified, the day falling two Relevant Business Days prior to the commencement thereof.

"Interest Payment Date" means the date or dates specified as the date(s) for the payment of interest in the Constituting Instrument and on the face of any definitive Note.

"Interest Period" means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date.

"Interest Rate" means the rate of interest payable from time to time in respect of a Note (subject to Condition 6(e)) and which is either specified in, or calculated in accordance with the provisions of, the Constituting Instrument.

"Issue Date" means, in the case of the issue of a Note or Notes of a Series, the date of issue of such Note or Notes as specified in the Constituting Instrument.

"LIBID" means the London interbank bid rate.

"**LIBOR**" means the London interbank offered rate.

"**LIMEAN**" means the London interbank mean rate.

"**Non-Approval Event**" means the occurrence of any of the following events:

- (i) any authorisation, registration, recognition, endorsement, equivalence decision or approval in respect of the Relevant Benchmark(s) or the administrator or sponsor of the Relevant Benchmark(s) is not obtained;
- (ii) the Relevant Benchmark(s) or the administrator or sponsor of the Relevant Benchmark(s) is not included in an official register; or
- (iii) the Relevant Benchmark(s) or the administrator or sponsor of the Relevant Benchmark(s) does not fulfil any other legal or regulatory requirements applicable to the Relevant Benchmark(s),

in each case, if required in order for either the Issuer, the Swap Counterparty (if any), the Determination Agent, the Interest Calculation Agent or the Calculation Agent under the Charged Agreement (if any) to perform its or their respective obligations in respect of the Series of Notes or the Charged Agreement (if any) (as the case may be) in compliance with the Benchmark Regulation and/or UK BMR. For the avoidance of doubt, a Non-Approval Event shall not occur if the Relevant Benchmark(s) or the administrator or sponsor of the Relevant Benchmark(s) is not included in an official register because its authorisation, registration, recognition, endorsement, equivalence decision or approval is suspended if, at the time of such suspension, the continued provision and use of the Relevant Benchmark(s) is permitted in respect of the Series of Notes or the Charged Agreement (if any) (as the case may be) under the Benchmark Regulation and/or UK BMR during the period of such suspension.

"**Pre-Nominated Replacement Benchmark**" means any index, benchmark or other price source specified as a "Pre-Nominated Replacement Benchmark" in the applicable Constituting Instrument in respect of a benchmark.

"**Redemption Amount**" means, in relation to any Note, as the context may require, the Scheduled Redemption Amount, Early Redemption Amount, Noteholder Optional Redemption Amount or Issuer Optional Redemption Amount.

"**Reference Banks**" means the institutions specified as Reference Banks in the Constituting Instrument.

"**Rejection Event**" means the relevant competent authority or other relevant official body rejects or refuses any application for authorisation, registration, recognition, endorsement, an equivalence decision, approval or inclusion in any official register which, in each case, is required in relation to the Relevant Benchmark(s) or the administrator or sponsor of the Relevant Benchmark(s) for the Issuer, the Swap Counterparty (if any), the Determination Agent, the Interest Calculation Agent and/or Calculation Agent under the Charged Agreement (if any) to perform its or their respective obligations in respect of a Series of Notes or the Charged Agreement in respect of such Series (if any) (as the case may be) in compliance with the Benchmark Regulation and/or UK BMR.

"**Relevant Benchmark**" means any index, benchmark or price source by reference to which any amount payable under the Notes of a Series, the Charged Agreement in respect of such Series (if any) or in relation to a Bond Benchmark Disruption Event the Charged Assets are determined, save

that the definition of Charged Assets for these purposes shall exclude the Charged Agreement (if any), any Eligible Credit Support and/or Equivalent Credit Support (each as defined in the Charged Agreement (if any)).

"Relevant Business Day" means a day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in the Relevant Financial Centre and (in the case of Notes denominated in Euro) a day on which the Trans-European-Automated Real-time Gross settlement Express Transfer payment system which utilises a single shared platform and was launched on 19 November 2007 or its successor in business (the **"TARGET2 System"**) is open.

"Relevant Financial Centre" means London (if the relevant Benchmark is LIBOR, LIMEAN or LIBID) or Brussels (if the relevant Benchmark is EURIBOR) or (in the case of Notes, the Interest Rate in respect of which is to be calculated by reference to some other Benchmark) the financial centre specified in the Constituting Instrument, or, if no such centre is so specified, the financial centre determined by the Interest Calculation Agent to be appropriate to such Benchmark.

"Relevant Nominating Body" means in respect of a Relevant Benchmark (i) the central bank for the currency in which the Relevant Benchmark is denominated or any central bank or other supervisor which is responsible for supervising either the Relevant Benchmark or the administrator of the Relevant Benchmark, or (ii) any working group or committee officially endorsed or convened by (a) the central bank for the currency in which the Relevant Benchmark is denominated, (b) any central bank or other supervisor which is responsible for supervising either the Relevant Benchmark or the administrator of the Relevant Benchmark, (c) a group of those central banks or other supervisors, or (d) the Financial Stability Board or any part thereof.

"Relevant Rate" means:

- (1) an offered rate in the case of a Note the Benchmark for which relates to an offered rate;
- (2) a bid rate in the case of a Note the Benchmark for which relates to a bid rate; and
- (3) the mean of an offered and bid rate in the case of a Note the Benchmark for which relates to the mean of an offered and bid rate.

"Relevant Time" means the local time in the Relevant Financial Centre at which the Interest Calculation Agent determines that it is customary to determine bid and offered rates in respect of Euro-currency deposits in the currency in question in the interbank market in that Relevant Financial Centre.

"Replacement Benchmark" means, in respect of a Relevant Benchmark(s),

- (1) a Pre-Nominated Replacement Benchmark(s) (if any); or
- (2) if there is no Pre-Nominated Replacement Benchmark(s) (or if the Interest Calculation Agent determines an Administrator/Benchmark Event has or would occur in relation to any Pre-Nominated Replacement Benchmark(s) if it has been or otherwise would be selected as the Replacement Benchmark(s)) an index, benchmark or other price source that the Interest Calculation Agent determines is:
 - (a) a commercially reasonable alternative for such Relevant Benchmark; or
 - (b) recognised or acknowledged (including without limitation in any document published or commissioned by ISDA or any announcement thereby) as being an industry standard replacement for the Relevant Benchmark for over-the-counter derivatives transactions (which may include without limitation, an index, benchmark or other price source formally designated, nominated or recommended by (x) a Relevant Nominating Body to replace the Relevant Benchmark, or (y) the administrator or sponsor of the Relevant

Benchmark(s) (provided that such index, benchmark, rate or other price source is substantially the same as the Relevant Benchmark(s)), in each case, to replace the Relevant Benchmark).

"Replacement Benchmark Remedial Action Criteria" means any adjustment or determination to be applied to Replacement Benchmark(s) and/or applied to Relevant Benchmark(s), and/or any Replacement Benchmark Ancillary Amendment(s), in each case, to (a) reduce or eliminate, to the extent reasonably practicable, any transfer of economic value resulting from, or arising out of, the selection of a Replacement Benchmark(s) from (i) the Issuer to the Noteholders or (ii) the Noteholders to the Issuer, and/or (b) where a Series of Notes incorporates a Charged Agreement, to reduce or eliminate, to the extent reasonably practicable, any transfer of economic value resulting from, or arising out of, the selection of a Replacement Benchmark(s), from (i) the Issuer to the Swap Counterparty or (ii) the Swap Counterparty to the Issuer, and/or (c) where a Series of Notes incorporates a Charged Agreement, reflect any losses, expenses and costs that have been or may be incurred by the Swap Counterparty which have resulted from or arise out of the occurrence of an Administrator/Benchmark Event and/or the selection of a Replacement Benchmark(s), including without limitation, from entering into, maintaining, amending and/or unwinding any transactions to hedge the Swap Counterparty's obligations under the Charged Agreement.

"Spread" means the percentage rate per annum specified in the Constituting Instrument as being applicable to a Note.

"Spread Multiplier" means the percentage specified in the Constituting Instrument as being applicable to the interest rate for a Note.

"Suspension/Withdrawal Event" means the occurrence of any of the following events:

- (1) the relevant competent authority or other relevant official body suspends or withdraws any authorisation, registration, recognition, endorsement, equivalence decision or approval in relation to the Relevant Benchmark(s) or the administrator or sponsor of the Relevant Benchmark(s) which is required in order for the Issuer, the Swap Counterparty (if any), the Determination Agent, the Interest Calculation Agent or the Calculation Agent under the Charged Agreement (if any) to perform its or their respective obligations in respect of the Notes of a Series or the Charged Agreement (if any) (as the case may be) in compliance with the Benchmark Regulation and/or UK BMR; or
- (2) the Relevant Benchmark(s) or the administrator or sponsor of the Relevant Benchmark(s) is removed from any official register where inclusion in such register is required in order for the Issuer, the Swap Counterparty (if any), the Determination Agent, Interest Calculation Agent or the Calculation Agent under the Charged Agreement (if any) to perform its or their respective obligations in respect of the Notes or the Charged Agreement (if any) (as the case may be) in compliance with the Benchmark Regulation and/or UK BMR,

and for the avoidance of doubt, a Suspension/Withdrawal Event shall not occur if such authorisation, registration, recognition, endorsement, equivalence decision or approval is suspended or where inclusion in any official register is withdrawn if, at the time of such suspension or withdrawal, the continued provision and use of the Relevant Benchmark(s) is permitted in respect of the Notes of a Series, the Charged Agreement (if any) or the Charged Assets (save that the definition of Charged Assets for these purposes shall exclude the Charged Agreement (if any), any Eligible Credit Support and/or Equivalent Credit Support (each as defined in the Charged Agreement (if any))) under the Benchmark Regulation and/or UK BMR during the period of such suspension or withdrawal.

"UK BMR" means the Benchmark Regulation as it forms part of domestic law by virtue of the EUWA.

7. Redemption, Purchase and Exchange

- (a) *Final redemption*

Unless previously redeemed or purchased and cancelled as provided below, each Note (other than an Interest Only Note) will be redeemed at its Scheduled Redemption Amount (as defined in Condition 7(g)(1)) on the date specified as the Maturity Date in the Constituting Instrument (the "**Maturity Date**"). Unless otherwise stated in the Constituting Instrument, no Scheduled Redemption Amount will be payable on an Interest Only Note.

(b) *Mandatory redemption*

If :

- (1) (a) any of the Charged Assets in respect of a Series or any amounts outstanding thereunder become due and repayable (in whole or in part) prior to their stated date of maturity or other date or dates for their payment or repayment or (b) any obligor in respect of the Charged Assets fails to make, when and where due, in the currency and manner due, any payment of any amount under the Charged Assets without regard to any grace period or any conditions precedent to the commencement of any grace period applicable to such Charged Assets (as provided for in the terms and conditions of the Charged Assets as at the date such Charged Assets become a Charged Asset); or
- (2) the Charged Assets comprise any agreement of the type contemplated in the definition herein of Charged Agreement and such agreement is terminated by any party thereto, in each case whether or not by reason of an event of default (howsoever described) thereunder or there is a payment default in respect of such agreement without regard to any grace period or any conditions precedent to the commencement of any grace period applicable to such agreement; or
- (3) any other event as may be specified as an "**Additional Mandatory Redemption Event**" in the Constituting Instrument has occurred,

then the Swap Counterparty may upon becoming aware of any such event or circumstance give notice thereof to the Issuer and the Trustee and the Notes shall become due and repayable as provided by Condition 7(g). The Issuer shall give notice to the Noteholders in accordance with Condition 14 and to the Swap Counterparty that the Notes will become due and repayable in accordance with Condition 7(g) as soon as reasonably practicable after the Issuer receives notice from the Swap Counterparty of the occurrence of the relevant event or circumstance. Any failure or delay by the Swap Counterparty to serve the notice referred to above shall not constitute a waiver of the Swap Counterparty's right to serve such a notice in respect of the relevant event or circumstance or in respect of any other event or circumstance.

(c) *Redemption for Regulatory Event*

If, in the determination of the Determination Agent, a Regulatory Event occurs, then the Determination Agent may upon becoming aware of any such Regulatory Event give notice thereof to the Issuer and the Trustee and the Notes shall become due and repayable as provided by Condition 7(g) (unless otherwise specified in the relevant Constituting Instrument). The Issuer shall give notice to the Noteholders in accordance with Condition 14 and to the Swap Counterparty that the Notes will become due and repayable in accordance with Condition 7(g) as soon as reasonably practicable after the Issuer receives notice from the Determination Agent of the occurrence of the relevant Regulatory Event. Any failure or delay by the Determination Agent to serve the notice referred to above shall not constitute a waiver of the Determination Agent's right to serve such a notice in respect of the relevant Regulatory Event or in respect of any other Regulatory Event.

"**Regulatory Event**" means that (including, without limitation, in connection with the application of the Alternative Investment Fund Managers Directive 2011/61/EU): (i) as a result of the adoption of, or any change in, any applicable law or regulation or (ii) as a result of the promulgation of, or any change in, the interpretation of any applicable law or regulation by any court, tribunal, government or regulatory authority (each, a "**relevant authority**"), including informal public or private statements or actions by, or responses of, any official or representative of any relevant authority acting in an official capacity or other economic circumstances, (x) the regulatory treatment of the Notes, the Charged Agreement or the Issuer has become or is reasonably likely to become less favourable to, or has resulted or is reasonably likely to result in a burden on, the Issuer, the Swap

Counterparty, the Trustee or Barclays Bank PLC acting in any capacity in connection with the Notes, or any of their respective affiliates, including, without limitation, in connection with maintaining the existence of the Issuer, the Charged Agreement, the Notes or any other securities issued by the Issuer, or (y) the Issuer, the Swap Counterparty, the Trustee or Barclays Bank PLC acting in any capacity in connection with the Notes, or any of their respective affiliates, has suffered, or there is a reasonable likelihood that it will suffer, an adverse consequence, including, without limitation, any increased cost (including, without limitation, internal charges or costs), in connection with the issuance of the Notes, entering into the Charged Agreement, hedging the Swap Counterparty's obligations under the Charged Agreement or maintaining the existence of the Issuer, the Charged Agreement, the Notes or any other securities issued by the Issuer.

(d) *Redemption on termination of Charged Agreement*

If any Charged Agreement is terminated (in whole but not in part and other than in consequence of Condition 7(i) or Condition 7(j) or in connection with a redemption of Notes pursuant to Condition 7(b), Condition 7(h) or Condition 9 or save where the Conditions provide otherwise) for any reason, then the Issuer or the Swap Counterparty (if any) (as the case may be) shall promptly give notice to the Trustee and the Swap Counterparty (if any) or the Issuer (as the case may be) and the Notes shall become due and repayable as provided by Condition 7(g) (unless otherwise specified in the relevant Constituting Instrument). The Issuer shall give notice to the Noteholders in accordance with Condition 14 that the Notes will become due and repayable in accordance with Condition 7(g) (unless otherwise specified in the relevant Constituting Instrument) as soon as reasonably practicable after becoming aware of such event or circumstance.

(e) *Early redemption following an Administrator/Benchmark Event*

Following delivery of an Administrator/Benchmark Notification by the Interest Calculation Agent in accordance with Condition 6(j)(*Administrator/Benchmark Event*), then if either:

- (1) the Replacement Benchmark Notice and the Replacement Benchmark Amendments Notice are not delivered at least two calendar days before the Benchmark Adjustment Long Stop Date; or
- (2) after 30 calendar days following the Administrator/Benchmark Notification Date (or such shorter period specified in the Constituting Instrument and/or such shorter period determined by the Interest Calculation Agent as necessary to ensure compliance with all applicable laws, regulations and licensing requirements) (the "**Benchmark Adjustment Long Stop Date**"), the Interest Calculation Agent has not, at its election and in its sole and absolute discretion, undertaken one or more Replacement Benchmark Remedial Actions, which take effect on any date selected by the Interest Calculation Agent (including after such the Benchmark Adjustment Long Stop Date),

then an "**Administrator/Benchmark Early Redemption Event**" shall occur on the Business Day following the Benchmark Adjustment Long Stop Date and the Notes of such Series shall be redeemed on their applicable Early Redemption Date in accordance with Condition 7(g) below.

As soon as practicable following an Administrator/Benchmark Early Redemption Event, the Issuer shall give notice to the Noteholders in accordance with Condition 14 that the Notes will become due and repayable in accordance with Condition 7(g) (unless otherwise specified in the relevant Constituting Instrument). Any failure or delay by the Issuer to give such a notice to any of the intended recipients thereof shall not affect that the Notes will become due and repayable in accordance with Condition 7(g).

(f) *Early redemption of Zero Coupon Notes*

The provisions of this Condition 7(f) shall apply to any Note in respect of which the Amortisation Yield and Day Count Fraction are specified in the Constituting Instrument.

- (1) The amount payable in respect of any Zero Coupon Note upon redemption of such Note pursuant to Condition 7(b), Condition 7(c), Condition 7(d), Condition 7(e) or, if applicable, Condition 7(h) or upon its becoming due and payable as provided in Condition 9 shall be

the Amortised Face Amount (calculated as provided below) of such Note. References in these Conditions to "**principal**" or "**Early Redemption Amount**" or "**Issuer Optional Redemption Amount**" or "**Noteholder Optional Redemption Amount**" in the case of Zero Coupon Notes shall be deemed to include references to "**Amortised Face Amount**" where the context permits.

- (2) Subject to the provisions of Condition 7(f)(3) below, the Amortised Face Amount of any Zero Coupon Note shall be the Scheduled Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield specified in the Constituting Instrument compounded annually. Where such calculation is made for a period of less than one year, it shall be made on the basis of the Day Count Fraction specified in the Constituting Instrument.
- (3) If the amount payable in respect of any Zero Coupon Note upon redemption of such Note pursuant to Condition 7(b), Condition 7(c), Condition 7(d), Condition 7(e) or, if applicable, Condition 7(h) or upon its becoming due and payable as provided in Condition 9 is not paid when due, the amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note as calculated in accordance with Condition 7(f)(2), except that such sub-paragraph shall have effect as though the reference therein to the Maturity Date were replaced by a reference to the date (the "**Relevant Date**") which is the earlier of:
 - (A) the date on which all amounts due in respect of the Note have been paid; and
 - (B) the date on which the full amount of the moneys payable has been received by the Trustee or the Principal Paying Agent, in the case of Bearer Notes, or the Registrar, in the case of Registered Notes, and notice to that effect has been given to holders in accordance with the provisions of Condition 14.

The calculation of the Amortised Face Amount will continue to be made (as well after as before judgment) until the Relevant Date unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the principal amount of such Note together with any interest which may accrue in accordance with Condition 6(d).

(g) *Redemption amount of Notes*

- (1) The amount payable upon redemption of each Note (other than an Interest Only Note) on the Maturity Date in accordance with Condition 7(a) (the "**Scheduled Redemption Amount**") shall be specified in the applicable Constituting Instrument.
- (2) Subject as provided by Condition 7(e) and unless the Constituting Instrument provides otherwise, the amount payable upon redemption of each Note pursuant to Condition 7(b), Condition 7(c), Condition 7(d) or Condition 7(e) or upon its becoming due and payable as provided in Condition 9 shall be the amount determined by the Trustee or, where applicable, the Determination Agent to be the lesser of (i) the outstanding principal amount of such Note and (ii) the amount available for redemption of such Note by applying the portion available to the Noteholders pursuant to Condition 4(d) (or as it may be amended or replaced by the Constituting Instrument) of the net proceeds of enforcement of the security in accordance with Condition 4 *pari passu* and rateably to the Notes (such amount being the "**Early Redemption Amount**"). No interest shall be payable in addition to the Early Redemption Amount except interest which was due and payable prior to the Early Redemption Date (as defined below). Unless otherwise set out in the Constituting Instrument, no Early Redemption Amount shall be payable in respect of an Interest Only Note.
- (3) Unless the Constituting Instrument provides otherwise, upon (i) the date on which the Issuer gives notice to the Noteholders that the Notes will become due and repayable pursuant to Condition 7(b), Condition 7(c) or Condition 7(d), or (ii) in the case of a redemption pursuant to Condition 7(e), the date on which the Administrator/Benchmark Early Redemption Event occurs, the security constituted by the relevant Constituting Instrument shall become enforceable and the provisions of Condition 4(a) and Condition 4(c) shall thereafter apply. Upon receipt of the proceeds (if any) of realisation of the

Collateral following such enforcement, the Trustee shall give notice to the Noteholders in accordance with Condition 14 of the date on which each Note shall be redeemed at its Early Redemption Amount (the "**Early Redemption Date**").

- (4) The Constituting Instrument shall, where appropriate, specify the name of the Determination Agent appointed to determine the Early Redemption Amount. The Issuer will procure that, so long as any Note remains outstanding, there shall at all times be a Determination Agent if provision is made for the same in the Constituting Instrument.

The Determination Agent will, on such date as the Determination Agent may be required to calculate any Early Redemption Amount, if required to be calculated, cause such Early Redemption Amount to be notified to the Trustee, the Principal Paying Agent, or, in the case of Registered Notes, the Registrar, and each of the Paying Agents and to be notified to Noteholders in accordance with Condition 14 as soon as possible after its calculation but in no event later than the first Relevant Business Day thereafter. Any calculation of the Early Redemption Amount (whether by the Determination Agent or the Trustee) shall (in the absence of manifest error) be final and binding upon all parties.

If the Determination Agent is unable or unwilling to act as such, the Issuer will, with the prior written consent of the Trustee, appoint the London office of a leading bank engaged in the London interbank market to act as such in its place. The Determination Agent may not resign its duties without a successor having been appointed as aforesaid.

- (5) If any Maximum or Minimum Redemption Amount is specified in the Constituting Instrument, then the Early Redemption Amount shall in no event exceed the maximum or, subject as provided in Condition 7(g)(2) and Condition 10, be less than the minimum so specified.
- (6) The Issuer may, if so specified in the applicable Constituting Instrument that this Condition 7(g)(6) applies and if the Constituting Instrument specifies the name of a Determination Agent, elect to satisfy its obligations to the Noteholders to pay the Scheduled Redemption Amount or any Early Redemption Amount or any Noteholder Optional Redemption Amount (as defined in Condition 7(h)(1)) or any Issuer Optional Redemption Amount (as defined in Condition 7(h)(2)) in respect of each Note by delivery to the relevant Noteholder of the Attributable Charged Assets (as defined below).

In such case, the Issuer will procure that the Custodian will, subject to receipt by it of a confirmation from the Principal Paying Agent or Registrar (as relevant) of any termination payment payable to or by the Issuer from or to each Swap Counterparty (if any) on termination of the Charged Agreement (if any) subject to the terms and conditions of the Charged Assets and to all applicable laws, regulations and directives and to payment by the relevant Noteholder(s) of any costs and expenses (including stamp duty or other tax) involved, deliver the Attributable Charged Assets, or shall procure that the Attributable Charged Assets are delivered, to each relevant Noteholder (free and clear of all charges, liens and other encumbrances but together with the benefit of all rights and entitlements attaching thereto at any time after the date of delivery) on the date specified in the applicable Constituting Instrument (the "**Delivery Date**").

In connection with the foregoing, the security created over the relevant Charged Assets pursuant to the Trust Deed and/or any Additional Charging Instrument shall be released by the Trustee to the extent necessary to deliver any Charged Assets pursuant to the foregoing. In connection with the foregoing, the Trustee shall have the right to (but shall not be obliged to), or shall if so directed (a) (i) in writing by the holders of at least one-fifth in principal amount of the Notes then outstanding or (ii) by an Extraordinary Resolution of the Noteholders, and (b) in writing by a Swap Counterparty (if any), by notice to the Realisation Agent and the Custodian, require any such instruction from the Issuer to the Custodian or any other Agent regarding the delivery of the Charged Assets to require the prior approval in writing of the Trustee. Where any such notice is so given to the Custodian and/or other Agent by the Trustee, the Custodian and any such Agent(s) shall not act on any such instruction of the Issuer contemplated in this Condition 7(g)(6) without the prior written approval of the Trustee. The Trustee shall not be required to take any action contemplated

in this Condition 7(g)(6) unless, at its request, it is first secured and/or indemnified and/or prefunded to its satisfaction.

In order to receive delivery of the relevant amount of Attributable Charged Assets, each Noteholder shall, on or prior to the Delivery Date, supply to the Custodian such evidence of the aggregate principal amount of the Notes held by such Noteholder as the Custodian may require. The following shall constitute evidence satisfactory to the Custodian:

- (i) if the Notes are in definitive form, all unmatured Coupons appertaining to such Note(s) (or an indemnity from each Noteholder in respect of any unmatured Coupons not so surrendered as the Issuer may require); or
- (ii) in the case of Notes in global form, a certificate or other document issued by Euroclear or Clearstream, Luxembourg or the Alternative Clearing System as to the principal amount of the Notes standing to the credit of the account of the Noteholder in question and confirming that such Noteholder has undertaken to Euroclear or Clearstream, Luxembourg or the Alternative Clearing System expressly for the benefit of the Issuer that it will not sell, transfer or otherwise dispose of its Notes (or any of them) or any interest therein at any time on or prior to the Delivery Date,

together with, in either case, confirmation from the Principal Paying Agent or the Paying Agent or the Registrar (as relevant) that the Noteholder has surrendered to it the relevant Notes.

On receipt of such evidence by the Custodian, the relevant amount of Attributable Charged Assets shall (subject as aforesaid) be delivered to such Noteholder or to such account with Euroclear or Clearstream, Luxembourg or the Alternative Clearing System as will be specified in the delivery instructions given in the manner set out below. Any stamp duty or other tax and any other costs and expenses payable in respect of the transfer of such Attributable Charged Assets shall be the responsibility of, and payable by, the relevant Noteholder.

A holder of Notes in definitive form, at the same time as surrendering such Notes together with, if applicable, all unmatured Coupons appertaining thereto, to the Principal Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes), shall specify to the Principal Paying Agent or the Registrar (as applicable) its instructions concerning the delivery to it, or any nominee of it, of the relevant amount of Attributable Charged Assets to which it is entitled and the Principal Paying Agent or Registrar (as applicable) shall forthwith notify the Custodian and each Swap Counterparty (if any) of such instructions.

A holder of Notes in global form shall notify the Custodian of its instructions concerning the delivery to it, or any nominee of it, of the relevant amount of Attributable Charged Assets to which it is entitled, which instructions will, for the avoidance of doubt, be included in any notice given to the Custodian by Euroclear or Clearstream, Luxembourg in accordance with the provisions above and the Custodian shall forthwith notify the Swap Counterparty of such instructions.

As used herein "**Attributable Charged Assets**" shall be the proportion of Charged Assets (rounded to the nearest whole number) as equals the proportion which each Noteholder's holding of Notes bears to the total principal amount outstanding of the Notes as calculated by the Determination Agent in the manner and on the date specified in the applicable Series Memorandum. If the amount of Attributable Charged Assets to be delivered to a Noteholder is not divisible by the minimum denomination of such Charged Assets, the amount of Attributable Charged Assets to be delivered to such Noteholder shall be rounded down to the nearest whole multiple of such minimum denomination. Any determination of the Attributable Charged Assets to which a Noteholder is entitled by the Custodian shall be final and binding on all parties.

The net sums (if any) realised upon the security becoming enforceable on the early redemption of the Notes pursuant to the Conditions (including Condition 7(b), 7(c), 7(d) and 7(e) above) (after meeting the expenses and remuneration of and any other amounts due to the Trustee or any receiver and the claims of any other person ranking ahead of the Swap Counterparty and the Noteholders in accordance with the order of payments described in Condition 4(d)) may be insufficient to pay all the amounts due to each Swap Counterparty (if any) and to pay to the Noteholders amounts equal to the Scheduled Redemption Amount and the interest which would otherwise accrue to the date of redemption. In such event, any shortfall shall be borne by the Noteholders and by each Swap Counterparty (if any) and any other persons entitled to the benefit of the security pursuant to the Constituting Instrument in the inverse of the order of priority specified in the Constituting Instrument, and the Early Redemption Amount will reflect such shortfall in the case of the Noteholders. None of the Trustee, the holder of the issued share capital of the Issuer, the Administrator, any Swap Counterparty, the Arranger, the Dealers or any other person has any obligation to any Noteholders for payment of any amount by the Issuer in respect of the Notes or Receipts or Coupons (if any).

(h) *Redemption at the option of the Noteholders or the Issuer*

(1) Noteholder option

If this Condition 7(h)(1) is stated by the Constituting Instrument to be applicable, the Issuer shall, subject to compliance with all relevant laws, regulations and directives, at the option of the holder of any Note, redeem such Note on the date or dates specified for such purpose in the Constituting Instrument at its Scheduled Redemption Amount or such other amount as may be specified in the Constituting Instrument, or the amount calculated on the basis specified in Constituting Instrument (as the case may be) as being the applicable redemption amount or the applicable basis of determining the redemption amount pursuant to this Condition 7(h)(1) (such amount being the "**Noteholder Optional Redemption Amount**"), together with interest accrued on the Notes subject to redemption to the date fixed for redemption.

To exercise such option the holder must deposit the relevant Note with any Paying Agent (in the case of Bearer Notes) or the Registrar or any Transfer Agent (in the case of Registered Notes) at their respective specified offices, together with a duly completed notice of redemption ("**Redemption Notice**") in the form obtainable from any Paying Agent (in the case of Bearer Notes) or from the Registrar or any Transfer Agent (in the case of Registered Notes) not more than 60 nor less than 30 days prior to the relevant date for redemption and provided that, in the case of any Note represented by a Global Note or a Global Registered Certificate registered in the name of a nominee for Euroclear or Clearstream, Luxembourg or an Alternative Clearing System, the Noteholder must deliver such Redemption Notice together with an authority to Euroclear or Clearstream, Luxembourg or the relevant Alternative Clearing System (in each case, as appropriate) to debit such Noteholder's account accordingly and provided that, in the case of any Note represented by a Global Registered Certificate registered in the name of any other person, the Noteholder must deliver such Redemption Notice together with an instruction to such person to amend its records accordingly. No Note (or authority) so deposited may be withdrawn (except as provided in the Constituting Instrument) without the prior written consent of the Issuer.

(2) Issuer option

If this Condition 7(h)(2) is stated by the Constituting Instrument to be applicable, the Issuer may, on giving not more than 60 nor less than 30 days' notice to the Trustee and the Noteholders in accordance with Condition 14, and subject to compliance with all relevant laws, regulations and directives, at the option of the Issuer, redeem all or some of the Notes in the manner and on the date or dates specified in the Constituting Instrument at their Scheduled Redemption Amount or such other amount as may be specified in the Constituting Instrument, or the amount calculated on the basis specified in the Constituting Instrument (as the case may be) as being the applicable redemption amount or the applicable basis of determining the redemption amount pursuant to this Condition 7(h)(2)

(such amount being the "**Issuer Optional Redemption Amount**"), together with interest accrued on the Notes subject to redemption to the date fixed for redemption.

Notice given by the Issuer to redeem Note(s) pursuant to this Condition 7(h)(2) may not be withdrawn (save with the prior written consent of the Trustee) and the Issuer shall be bound to redeem the Note(s) in accordance with the notice, this Condition 7(h)(2) and the Constituting Instrument.

In the case of a partial redemption of Notes (if permitted as specified in the Constituting Instrument):

- (A) when the Notes are in definitive form, if a partial redemption is specified in the Constituting Instrument to be effected by selection of whole Notes, the Notes to be redeemed will be selected in the manner indicated in the Constituting Instrument and notice of the Notes called for redemption will be published in accordance with Condition 14 not less than 15 days prior to the date fixed for redemption, or, if a partial redemption of Notes is specified in the Constituting Instrument to be effected by *pro rata* payment, the outstanding principal amount of each Note shall be redeemed in a proportion equal to the proportion which the outstanding principal amount of such Note bears to the aggregate outstanding principal amount of all the Notes at such time; and
- (B) when the Notes are represented by a Global Note or a Global Registered Certificate, if a partial redemption is specified in the Constituting Instrument to be effected by selection of whole Notes, the Notes to be redeemed will be selected in accordance with the rules of Euroclear or Clearstream, Luxembourg or the relevant Alternative Clearing System (in each case, as appropriate) or (in any case where a Global Registered Certificate is registered in the name of a person other than a nominee for Euroclear or Clearstream, Luxembourg or an Alternative Clearing System) in accordance with the rules and procedures established from time to time by such person or, if a partial redemption of Notes is specified in the Constituting Instrument to be effected by *pro rata* payment, each Note shall be redeemed in a proportion equal to the proportion which the outstanding principal amount of such Note bears to the aggregate outstanding principal amount of all the Notes at such time or by application of a pool factor, at the discretion of, and in accordance with the rules and procedures of, Euroclear or Clearstream Luxembourg or the relevant Alternative Clearing System (in each case, as appropriate).

(3) Consequence of exercise of options

As soon as reasonably practicable after the exercise of an option pursuant to this Condition 7(h), the Issuer shall instruct the Realisation Agent (with the prior written approval of the Trustee, where applicable) to arrange for and administer the sale of the Charged Assets or such part thereof as corresponds to the Notes to be redeemed in accordance with Condition 4(c).

(i) *Purchase*

Unless otherwise provided in the Constituting Instrument, the Issuer may, with the consent of each Swap Counterparty (if any), purchase Notes in the open market or otherwise at any price (provided, in the case of definitive Bearer Notes, that all unmatured Receipts and Coupons and unexchanged Talons appertaining thereto are attached or surrendered therewith). All Notes so purchased and any unmatured Receipts and Coupons and unexchanged Talons appertaining thereto attached to or surrendered with Bearer Notes may, if so specified in the Constituting Instrument, at the option of the Issuer or at the direction of the Swap Counterparty if so specified in the Constituting Instrument, be held by it (and subsequently re-issued or re-sold) or may be cancelled, in which latter case they may not be re-issued or re-sold. On any such purchase of such Notes by the Issuer, there will be a *pro rata* reduction in payments under the Charged Agreement (if any) and, so far as the denominations of the Charged Assets being realised or disposed of will allow, in the aggregate amount of the Charged Assets held by the Issuer, which transactions will leave the Issuer with no net liabilities in respect thereof; provided that any selection of individual assets

comprised in the Charged Assets to be realised or disposed of shall be made at the discretion of the Issuer or at the direction of the Swap Counterparty if so specified in the Constituting Instrument. On any subsequent re-sale or re-issue of such Notes which the Issuer has not cancelled, either (i) there will be a *pro rata* increase in payments under the Charged Agreement (if any) and in the amount of the Charged Assets or (ii) a new Charged Agreement will be entered into and new Charged Assets will be acquired by the Issuer.

No interest will be payable with respect to a Note to be purchased pursuant to this Condition 7(i) in respect of the period from the previous date for the payment of interest on the Note, or, if none, the Issue Date to the date of such purchase.

If not all the Notes represented by a Registered Certificate are to be purchased, the Registrar shall forthwith upon the written request of the Noteholder concerned issue a new Registered Certificate in respect of the Notes which are not to be purchased and despatch such Registered Certificate to the Noteholder (at the risk of the Noteholder and to such address as the Noteholder may specify in such request).

When, in connection with the application of this Condition 7(i), it is necessary for the Issuer to sell the Charged Assets or any part thereof in the market, the Issuer shall instruct the Realisation Agent (with the prior written approval of the Trustee, where applicable) to arrange for and administer such sale in accordance with Condition 4(c).

The Trust Deed contains provisions for the release from the security in favour of the Trustee of the relevant Charged Assets (or part thereof) which correspond to the Series of Notes (or part thereof) to be redeemed by the Issuer pursuant to Condition 7(h) or purchased by the Issuer pursuant to Condition 7(i).

Whilst the Notes are represented by a Global Note or a Global Registered Certificate, the relevant Global Note or Global Registered Certificate will be endorsed to reflect the principal amount of Notes so redeemed or purchased.

(j) *Exchange of Series*

The Noteholders of a Series may together by notice in writing delivered to the Issuer (and copied to the Trustee), with the consent of each Swap Counterparty (if any) and subject to and in accordance with the provisions of the Constituting Instrument, request the Issuer to issue a further Series of Notes (the "**New Series**") in exchange for that existing Series of Notes (the "**Existing Series**") on such terms as may be specified in the Constituting Instrument or specified or approved by all such Noteholders. Any Charged Agreement in respect of such Existing Series so exchanged will be terminated and the security for the New Series will be that constituted by the Constituting Instrument in relation to the Existing Series (other than a security interest in respect of any Charged Agreement so terminated) (except that the security for the New Series may be postponed in point of priority to any other security over the assets securing the Existing Series which may have attached to such assets since the creation of the security for the Existing Series) and, if appropriate, over a further Charged Agreement to be entered into in connection with the New Series, all in accordance with the terms of the Constituting Instrument and as previously approved in writing by the Trustee provided that if the Existing Series is rated by any Rating Agency at the request of the Issuer, it may only be exchanged for a New Series if each such Rating Agency shall have confirmed that it will assign the New Series the same rating as that assigned by such Rating Agency to the Existing Series (unless the relevant Rating Agency shall have waived such requirement or the rules of the relevant Rating Agency at the date of such exchange do not so require such similar rating).

If the Existing Series comprises Listed Notes and if it is intended that the New Series be Listed Notes, the Issuer shall notify the relevant stock exchange and any relevant competent authority and produce such Series Memorandum and produce such information as the rules of such stock exchange or competent authority may require in connection therewith.

If the Noteholders of a Series elect, pursuant to Condition 7(j), to exchange such Series for a New Series, upon termination of any Charged Agreement in respect of the Existing Series so exchanged, a shortfall may be suffered by the Noteholders.

(k) *Redemption by instalments*

Unless previously redeemed, purchased and cancelled as provided in this Condition 7, each Note which provides for "**Instalment Dates**" and "**Instalment Amounts**" will be partially redeemed on each Instalment Date at the specified Instalment Amount, whereupon the outstanding principal amount of such Note and its Scheduled Redemption Amount (unless specified otherwise in the Constituting Instrument) shall be reduced for all purposes by the Instalment Amount. If the Constituting Instrument requires the Instalment Amounts to be calculated, it will specify the Determination Agent appointed to determine such Instalment Amounts and the provisions of Condition 7(g) in relation to the calculation of Redemption Amounts shall apply *mutatis mutandis* in relation to the calculation of Instalment Amounts.

(l) *Cancellation*

All Notes of any Series which are redeemed (together, in the case of Bearer Notes, with such unmatured Receipts, Coupons and Talons as are attached thereto or are surrendered therewith at the time of such redemption) and all Receipts and Coupons which are paid and Talons which are exchanged shall, unless otherwise permitted by these Conditions or the Constituting Instrument, be cancelled forthwith by the Paying Agent or the Registrar or Transfer Agent, as the case may be, by or through which they are redeemed or paid. Each Paying Agent shall give all relevant details and forward cancelled Notes, Receipts, Coupons and Talons to the Principal Paying Agent or its designated agent. All Notes which are purchased by the Issuer pursuant to Condition 7(i) (together, in the case of Bearer Notes, with such unmatured Receipts, Coupons and Talons as are attached thereto or are surrendered therewith at the time of such purchase) and all Receipts and Coupons which are paid and Talons which are exchanged shall, unless otherwise permitted by the Conditions, be delivered to, and cancelled forthwith by, the Principal Paying Agent (in the case of Bearer Notes, Receipts, Coupons and Talons) or the Registrar or Transfer Agent (in the case of Registered Notes), as the case may be.

Each Transfer Agent shall give all relevant details and forward cancelled Notes to the Registrar or its designated agent.

8. Payments

(a) *Bearer Notes*

Payments of principal and interest in respect of Bearer Notes (other than Dual Currency Notes) will, subject as mentioned below, be made against presentation and surrender of the relevant Receipts (in the case of payment of Instalment Amounts other than payment of the last Instalment Amount and provided that each Receipt is presented for payment together with its relative Note), Notes (in the case of all other payments of principal and, in the case of interest, as specified in Condition 8(e)(6)) or Coupons (in the case of interest, save as specified in Condition 8(e)(6)) at the specified office of any Paying Agent outside the United States by transfer to an account denominated in the currency in which such payment is due; provided that if the Notes are denominated in Yen, such payments will be made by transfer to a Yen account (in the case of payment to a non-resident of Japan, to a non-resident Yen account) maintained by the payee with, a bank in Tokyo.

No payments of principal, interest or other amounts due in respect of Bearer Notes (or the related Coupons, Talons or Receipts) will be made by mail to an address in the United States or by transfer to an account maintained by the Holder in the United States.

(b) *Registered Notes*

(1) Payments of principal (which, for the purposes of this Condition 8(b), shall include the final Instalment Amount but not other Instalment Amounts) in respect of Registered Notes (other than Dual Currency Notes) will be made to the person shown on the register against presentation and surrender of the relevant Registered Certificate at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in Condition 8(a). To the extent that a Noteholder does not present (and, if applicable, surrender) the relevant Registered Certificate at least three Business Days prior to the Maturity Date or other date for redemption (as the case may be) none of the Issuer, the Trustee, the Registrar, the

Principal Paying Agent, the Interest Calculation Agent, each Swap Counterparty (if any), the Determination Agent (if any), the Custodian or any other person shall be liable in respect of any delay in the payment of the relevant redemption monies to such Noteholder as a consequence thereof.

- (2) Interest (which, for the purposes of this Condition 8(b), shall include all Instalment Amounts other than the final Instalment Amount) on Registered Notes payable on any Interest Payment Date or, as the case may be, any Instalment Date will be paid to the persons shown on the Register at the close of business on the Clearing System Business Day immediately prior to the due date for payment, where "Clearing System Business Day" means Monday to Friday inclusive, except 25 December and 1 January (the "**Record Date**"). Upon application by the holder to the specified office of the Registrar or any Transfer Agent before the relevant Record Date, the payment of interest may be made by transfer to an account in the relevant currency maintained by the payee with a bank in the principal financial centre of the country of that currency.
- (3) Payments in Yen in respect of Registered Notes will be made in the manner specified in Condition 8(a).

(c) *Payments in the United States*

Notwithstanding the foregoing, if any Bearer Notes are denominated in U.S. dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if:

- (1) the Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due;
- (2) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts; and
- (3) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, adverse tax consequences to the Issuer.

(d) *Payments subject to fiscal laws; payments on Global Notes and Global Registered Certificates*

- (1) All payments are subject in all cases to (i) any applicable fiscal or other laws, regulations and directives but without prejudice to the provisions of Condition 17 (*Taxation*) and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the United States Internal Revenue Code of 1986 or otherwise imposed pursuant to Sections 1471 through 1474 of the United States Internal Revenue Code of 1986, any current or future regulations or agreements thereunder, or any current or future official interpretations thereof, or any current or future laws, regulations, guidance or practices adopted pursuant to, or for the purposes of implementing, or pursuant to any agreement entered into pursuant to, or in connection with, any intergovernmental approach thereto or any intergovernmental agreement entered into in connection with the implementation of such Sections, in each case as the same may be amended from time to time ("**FATCA**"), in each case without prejudice to the provisions of Condition 17 (*Taxation*). No commissions or expenses shall be charged to the Noteholders in respect of such payments.
- (2) Payments of principal and interest in respect of Bearer Notes when represented by a Global Note and payments of principal in respect of Registered Notes when represented by a Global Registered Certificate will be made against presentation and surrender or, as the case may be, presentation of the Global Note or Global Registered Certificate at the specified office of the Principal Paying Agent or, as the case may be, the Registrar, subject in all cases to any fiscal or other laws, regulations and directives applicable to the Issuer, the Principal Paying Agent or, as the case may be, the Registrar or the bearer or registered owner of the Global Note or Global Registered Certificate or any person (so long as the Global Note or Global Registered Certificate is held on behalf of Euroclear, Clearstream, Luxembourg, DTC or an Alternative Clearing System) shown in the records of Euroclear,

Clearstream, Luxembourg or DTC (other than each Clearing System to the extent that it is an account holder with the other Clearing System for the purpose of operating the "bridge" between the Clearing Systems) or such Alternative Clearing System as the holder of a particular principal amount of the Notes. A record of each payment so made will be endorsed on the relevant schedule to the Global Note or Global Registered Certificate by or on behalf of the Principal Paying Agent or, as the case may be, the Registrar which endorsement shall be *prima facie* evidence that such payment has been made.

- (3) The bearer of a Global Note or the registered owner of a Global Registered Certificate shall be the only person entitled to receive payments of principal and interest on the Global Note or Global Registered Certificate and the Issuer will be discharged by payment to the bearer or registered owner of such Global Note or Global Registered Certificate in respect of each amount paid. So long as the relevant Global Note or Global Registered Certificate is held by or on behalf of Euroclear, Clearstream, Luxembourg, DTC or an Alternative Clearing System, each of the persons shown in the records of Euroclear, Clearstream, Luxembourg, DTC or such Alternative Clearing System as the holder of a Note must look solely to Euroclear, Clearstream, Luxembourg, DTC or such Alternative Clearing System, as the case may be, for its share of each payment so made by the Issuer to the bearer or registered owner of the Global Note or Global Registered Certificate subject to and in accordance with the respective rules and procedures of Euroclear, Clearstream, Luxembourg, DTC or such Alternative Clearing System, as the case may be. So long as the relevant Global Registered Certificate is registered in the name of a person other than a nominee for Euroclear, Clearstream, Luxembourg, DTC or an Alternative Clearing System, each of the persons shown in the records of such person as the holder of a Note must look solely to such person for its share of each payment so made by the Issuer to such person, subject to the rules and procedures established from time to time by such person. No person other than the bearer of the Global Note or the registered owner of the Global Registered Certificate shall have any entitlement to payments due by the Issuer on the Notes.

(e) *Unmatured Receipts and Coupons and unexchanged Talons*

- (1) Fixed Rate Notes which are Bearer Notes, other than Notes which are specified in the Constituting Instrument to be Long Maturity Notes (being Fixed Rate Notes whose principal amount is less than the aggregate interest payable thereon on the relevant dates for payment of interest under Condition 6(a)) or Variable Coupon Amount Notes, shall be surrendered for payment together with all unexpired Coupons (if any) appertaining thereto, failing which an amount equal to the face value of each missing unexpired Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unexpired Coupon which the sum of principal so paid bears to the total principal due) will be deducted from the Redemption Amount due for payment. Any amount so deducted will be paid in the manner mentioned above against surrender of such missing Coupon within a period of 10 years from the Relevant Date (as defined in Condition 7(f)(3)) for the payment of such Redemption Amount (whether or not such Coupon has become void pursuant to Condition 11).
- (2) Subject to the provisions of the Constituting Instrument, upon the due date for redemption of any Floating Rate Note, Long Maturity Note or Variable Coupon Amount Note which is a Bearer Note, unexpired Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.
- (3) Upon the due date for redemption of any Bearer Note, any unexpired Talon relating to such Bearer Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.
- (4) Upon the due date for redemption of any Note which is redeemable in instalments, all Receipts relating to such Note having an Instalment Date falling on or after such due date (whether or not attached) shall become void and no payment shall be made in respect of them.

- (5) Where any Floating Rate Note, Long Maturity Note or Variable Coupon Amount Note which is a Bearer Note is presented for redemption without all unmatured Coupons and any unexchanged Talon relating to it, and where any Bearer Note is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.
- (6) If the due date for redemption of any Bearer Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Note. Interest accrued on a Registered Note from its Maturity Date in respect of which the Registered Certificate has been presented for payment of principal shall, save as otherwise provided in the Conditions, be paid in accordance with Condition 8(b). Interest accrued on a Zero Coupon Note from its Maturity Date shall be payable on redemption of such Zero Coupon Note against presentation thereof.

(f) *Non-business days*

Subject as provided in the Constituting Instrument, if any date for payment in respect of any Note, Receipt or Coupon is not a business day, the holder shall be entitled neither to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this paragraph, "**business day**" means a day on which banks are open for general business and carrying out transactions in the relevant currency in the relevant place of presentation and in the place where payment is to be made and in the cities referred to in the definition of Business Days set out in the applicable Constituting Instrument.

(g) *Dual Currency Notes*

The Constituting Instrument in respect of each Series of Dual Currency Notes shall specify the currency in which each payment in respect of the relevant Notes shall be made, the terms relating to any option relating to the currency in which any payment is to be made and the basis for calculating the amount of any relevant payment and the manner of payment thereof.

(h) *Talons*

On or after the Interest Payment Date for the final Coupon forming part of a coupon sheet issued in respect of any Note, the Talon forming part of such coupon sheet may be surrendered at the specified office of the Principal Paying Agent or such other Paying Agent as is notified to the Noteholders in exchange for a further coupon sheet (but excluding any Coupons which may have become void pursuant to Condition 11).

9. **Events of Default**

The Trustee at its discretion may, and if so directed (i) in writing by the holders of at least one-fifth in principal amount of the Notes of any Series then outstanding or (ii) by an Extraordinary Resolution of the Noteholders shall, subject to its being secured and/or indemnified to its satisfaction, give notice to the Issuer that the Notes of such Series are, and they shall accordingly immediately become, due and repayable at their Early Redemption Amount, calculated as provided by Condition 7(g) (or, in the case of Zero Coupon Notes of a Series (unless the Constituting Instrument provides otherwise or does not specify the Amortisation Yield and Day Count Fraction) at their Amortised Face Amount) and the security constituted by the relevant Constituting Instrument and any Additional Charging Instrument in respect of such Series shall become enforceable, and the proceeds of realisation of such security shall be applied as specified in Condition 4(d) (all as provided by the Trust Deed), if any of the following events occurs and is continuing (each an "**Event of Default**"):

- (a) if default is made for a period of 14 days or more in the payment of any sum due in respect of such Notes or any of them (save as specifically provided in these Conditions); or
- (b) if the Issuer fails to perform or observe any of its other obligations under such Notes or the relevant Trust Deed and, if such failure is remediable, such failure continues for a period of 30 days (or such longer period as the Trustee may permit) next following the service by the Trustee on the Issuer of

notice requiring the same to be remedied (and, for such purposes, any failure to perform or observe any obligation shall be deemed remediable notwithstanding that the failure results from not doing an act or thing by a particular time); or

- (c) if any order shall be made by any competent court or other authority or any resolution passed for the winding-up or dissolution of the Issuer, save for the purposes of amalgamation, merger, consolidation, reorganisation or other similar arrangement on terms approved by the Trustee.

While the Notes of any Series are represented by one or more Global Notes or Global Registered Certificates, the holder of any such Global Note or Global Registered Certificate (or two or more of them acting together, if more than one) representing one-fifth in principal amount of the Notes of such Series may exercise the right to request the Trustee to declare such Notes due and payable at the relevant amount by request in writing to the Trustee.

The Issuer has covenanted pursuant to the Trust Deed with the Trustee that, for so long as any Note remains outstanding, it shall provide a written confirmation to the Trustee annually that (as far as the Issuer is aware) no Event of Default or Potential Event of Default (each as defined in the Master Definitions) has occurred.

The Issuer has further covenanted in the Trust Deed that it will give notice in writing to the Trustee promptly upon becoming aware of the occurrence of any Event of Default or Potential Event of Default and, at the same time as giving such notice to the Trustee, shall procure that a copy of the same is sent to each Rating Agency which has (at the request of the Issuer) assigned a rating to the Notes.

10. Enforcement and Limited Recourse

Only the Trustee may pursue the remedies available under the Trust Deed, the Conditions and any Additional Charging Instrument to enforce the rights of the Noteholders of a Series or any Swap Counterparty (in their respective capacities as such) in the order of priority specified in the Constituting Instrument. Neither any holder of any Note or Receipt or Coupon (if any) of such Series nor any Swap Counterparty is entitled to proceed directly against the Issuer or the Collateral, unless the Trustee, having become bound to proceed in accordance with the terms of the relevant Trust Deed, any Additional Charging Instrument or the Conditions, fails or neglects to do so within a reasonable period and such failure or neglect is continuing. In no circumstances whatsoever (including without limitation after as well as before any court judgment or arbitral award) is the Trustee or the holder of any Note or Receipt or Coupon (if any) of such Series or any Swap Counterparty entitled to proceed against any assets of the Issuer other than the Collateral. After realisation of the security in respect of the Notes of such Series which has become enforceable and distribution of the net proceeds thereof in accordance with Condition 4 and save for lodging a claim in the liquidation of the Issuer initiated by another person or taking proceedings to obtain a declaration or judgment as to the obligations of the Issuer, neither the Trustee nor any Noteholder may take any further steps against the Issuer or any of its assets to recover any sum due but still unpaid and/or which may become due and/or otherwise howsoever arising in respect of the Notes or Receipts or Coupons (if any) or in respect of any other claim of whatever nature, nor may any Swap Counterparty with the benefit of the security constituted by the Trust Deed take any further steps against the Issuer or any of its assets to recover any sum still due but unpaid and/or which may become due and/or otherwise howsoever arising in respect of the relevant Charged Agreement in respect of such Series or in respect of any other claim of whatever nature, and, in each case, all claims (including without limitation after as well as before any court judgment or arbitral award) against the Issuer in respect of each of such sums due but unpaid and/or which may become due and/or otherwise howsoever arising or claims asserted shall be extinguished. In particular (but without limitation), none of the Trustee or any Noteholder or any Swap Counterparty shall be entitled (save as aforesaid) to petition or take any other step for the winding-up of the Issuer in relation to such sums or otherwise, nor shall any of them have any claim in respect of any such sums or on any other account whatsoever over or in respect of any assets of the Issuer other than the Collateral.

Such net proceeds may be insufficient (after meeting the expenses and remuneration of and any other amounts due to the Trustee or any receiver and the claims of any other person ranking ahead of the Swap Counterparty and the Noteholders in accordance with the order of payments described in Condition 4(d)) to pay all the amounts due to each Swap Counterparty and to pay to the Noteholders amounts equal to the Scheduled Redemption Amount and the interest which would otherwise accrue to the date of redemption. In such event, any shortfall shall be borne by the Noteholders and by each Swap Counterparty (if any) and any other persons entitled to the benefit of

the security pursuant to the Constituting Instrument according to the order of priority specified in the Constituting Instrument, and the Early Redemption Amount will reflect such shortfall in the case of the Noteholders. None of the Trustee, the Share Trustee, the Administrator, each Swap Counterparty (if any), the Arranger, the Dealers or any other person has any obligation to any Noteholders for payment of any amount by the Issuer in respect of the Notes or Receipts or Coupons (if any).

11. Prescription

Claims against the Issuer for payment in respect of the Notes, Receipts, Coupons and Talons (if any) shall be prescribed and become void unless made within 10 years from the due date for payment.

12. Replacement of Notes, Receipts, Coupons and Talons

If any Bearer Note or Registered Note (in global or definitive form), Receipt, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed it may be replaced, subject to all applicable laws and stock exchange requirements, at the specified office of the Principal Paying Agent (in the case of Bearer Notes) and the Registrar or any Transfer Agent (in the case of Registered Notes), upon payment by the claimant of the out-of-pocket expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may require. Mutilated or defaced Notes, Receipts, Coupons or Talons must be surrendered before replacements will be issued. In the case of a mutilated or defaced Bearer Note (unless otherwise covered by such indemnity as the Issuer may require) any replacement Bearer Note will only have attached to it Receipts, Coupons and/or Talons corresponding to those attached to the mutilated or defaced Bearer Note surrendered for replacement.

13. Meetings of Noteholders, Modification, Waiver, Authorisation and Substitution

(a) *Meetings of Noteholders, modifications and waiver*

The Trust Deed provides for the convening of meetings of Noteholders of a Series to consider matters affecting their interests, including the modification by Extraordinary Resolution of the Conditions, the Trust Deed applicable to the Series and/or, if applicable, any Additional Charging Instrument or any agreement or deed constituted or created by the Constituting Instrument applicable to the Series. The quorum at any such meeting for passing an Extraordinary Resolution will be two or more persons holding or representing a majority in principal amount of the Notes of the relevant Series for the time being outstanding, or, at any adjourned such meeting, two or more persons being or representing Noteholders of the relevant Series, whatever the principal amount of the Notes so held or represented, except that, *inter alia*, the terms of the security and certain terms concerning the amount and currency and the postponement of the due dates of payment of the Notes or the Receipts or Coupons (if any) may be modified only by resolutions passed at a meeting the quorum at which shall be two or more persons holding or representing two-thirds, or, at any adjourned such meeting, not less than one-third, in principal amount of the Notes for the time being outstanding. The holder of a Global Note or Global Registered Certificate representing the whole of a Series will be treated as being two persons for the purposes of any quorum requirements of a meeting of Noteholders. A resolution duly passed at any meeting of the Noteholders will be binding on all Noteholders of the relevant Series, whether or not they were present at such meeting. A resolution in writing signed by or on behalf of the holders of not less than 75 per cent. in principal amount of the Notes who for the time being are entitled to receive notice of the meeting shall for all purposes be as valid and effectual as an Extraordinary Resolution passed at a meeting of Noteholders of such Series. The Trustee may, without consulting the Noteholders, determine that an event which would otherwise be an Event of Default shall not be so treated but only if and insofar as in its opinion the interests of the Noteholders shall not be materially prejudiced thereby and only with the prior written consent of any Swap Counterparty (which consent may be granted or refused in the discretion of such Swap Counterparty) and provided, if the Notes are rated at the request of the Issuer by any Rating Agency, each such Rating Agency shall have been notified in advance thereof and shall have confirmed to the Trustee that its then current rating of the Notes will not be withdrawn or adversely affected thereby. The Trustee may also agree, without the consent of the Noteholders, but only with the prior written consent of any Swap Counterparty (which consent may be granted or refused in the discretion of such Swap Counterparty) and provided, if the Notes have been rated at the request of the Issuer by any Rating Agency, each such Rating Agency shall have been notified in advance thereof and shall have confirmed to the Trustee that

the current rating of the Notes assigned by such Rating Agency will not be withdrawn or adversely affected thereby, to:

- (A) any modification to the Conditions, the Constituting Instrument, the Trust Deed, or any Additional Charging Instrument, the Agency Agreement, any Custody Agreement or any Charged Agreement applicable to the Series or any other agreement or deed constituted or created by the Constituting Instrument applicable to the Series which is of a formal, minor or technical nature or is made to correct a manifest or proven error or is made as a result of any comments raised by Euronext Dublin in connection with an application to list a Series of Notes, and
- (B) any other modification and any waiver or authorisation of any breach or proposed breach of any of the provisions of the Conditions, the Constituting Instrument, the Trust Deed or any Additional Charging Instrument, the Agency Agreement, any Custody Agreement or any Charged Agreement applicable to the Series, or any agreement or deed constituted or created by the Constituting Instrument applicable to the Series and to which the Issuer and/or the Trustee are a party or any accession by or substitution of any party to any such agreement or deed which in each case, in the opinion of the Trustee, is not materially prejudicial to the interests of the Noteholders of that Series and subject as provided by the relevant agreement or deed.

Any such modification, authorisation or waiver shall be binding on the Noteholders of that Series and the Swap Counterparty (if any) and, unless the Trustee agrees otherwise with the Issuer, such modification shall be notified to the Noteholders of that Series in accordance with Condition 14 and Euronext Dublin (for so long as the Notes are listed thereon and Euronext Dublin so requires) as soon as practicable thereafter.

(b) *Authorisation*

The Issuer will not exercise any rights in its capacity as a holder of, or person beneficially entitled to or participating in, the Charged Assets or the property of the Issuer secured pursuant to the Deed of Floating Charge (if any) unless directed in writing to do so by the Trustee and, if such direction is given, the Issuer will act only in accordance with such directions. In particular, the Issuer will not attend or vote at any meeting of holders of, or other persons interested or participating in, or entitled to the rights or benefits (or a part thereof) of, the Charged Assets or the property of the Issuer secured pursuant to the Deed of Floating Charge (if any) or give any consent, waiver, indulgence, time or notification or make any declaration in relation to such Charged Assets or the property of the Issuer secured pursuant to the Deed of Floating Charge (if any) unless it shall have been so directed in writing by the Trustee. If any such persons aforesaid are at any time requested to give an indemnity to any person in relation to the Charged Assets or the property of the Issuer secured pursuant to the Deed of Floating Charge (if any) to assume obligations not otherwise assumed by them under any of the Charged Assets or the property of the Issuer secured pursuant to the Deed of Floating Charge (if any) to give up, waive or forego any of their rights and/or entitlements under any of the assets secured pursuant to the relevant Trust Deed and/or, if applicable, any Additional Charging Instrument, or agree any composition, compounding or other similar arrangement with respect to any of the Additional Charged Assets or the property of the Issuer secured pursuant to the Deed of Floating Charge (if any) or (in each case) any part thereof, the Issuer will not give such indemnity or otherwise assume such obligations or give up, waive or forego such rights or agree such composition, compounding or other arrangement unless (i) it shall have been so requested by the Trustee and (ii) it shall have been counter-indemnified to its satisfaction.

The Trustee shall not be obliged to give any such direction or request to the Issuer in relation to the Charged Assets or the property of the Issuer secured pursuant to the Deed of Floating Charge (if any) unless it is instructed to do so by any Swap Counterparty or by the holders of at least one-fifth in principal amount of the Notes of the relevant Series or by an Extraordinary Resolution of the Noteholders of such Series and then only if and to the extent that the Trustee is secured and/or indemnified to its satisfaction against any costs or liabilities which it may incur in doing so and the giving of such direction or request would not cause the Trustee or the Issuer to breach any applicable law, rule, regulation or directive. The Trustee shall be entitled to rely and act on any instruction given to it by any Swap Counterparty or such Noteholders or by Extraordinary

Resolution and it shall not be liable to any person for the consequences of acting in accordance with such instruction. The Trustee shall not be responsible for monitoring or enquiring whether any rights have become exercisable by the Issuer in its capacity as the holder of any Charged Assets or the property of the Issuer secured pursuant to the Deed of Floating Charge (if any) and shall not be liable to any person for any failure by the Issuer to exercise those rights.

(c) *Substitution of Issuer*

The provisions of the Trust Deed permit the Trustee to agree, subject to such amendment of the Trust Deed, any Additional Charging Instrument, if applicable, and the other agreements and deeds constituted or created by the relevant Constituting Instrument and to the confirmation of any applicable Rating Agency that its then current rating of any existing Series will not be withdrawn or adversely affected thereby, and such other conditions as the Trustee may require including the transfer of security and subject to the prior written approval of each Swap Counterparty (if any), but without the consent of the Noteholders of any Series, to the substitution of any other company in place of the Issuer, or of any previous substituted company, as principal debtor under the relevant Trust Deed, any Additional Charging Instrument (if applicable) and the Notes, Receipts, Coupons and Talons (if any) in relation to any Series. In the case of such a substitution, the Trustee may agree, without the consent of the Noteholders of any Series, but subject to the prior written approval of each Swap Counterparty (if any), to a change of the law governing the Notes, the Receipts, the Coupons, the Talons (if any) and/or the Trust Deed and/or any Additional Charging Instrument and any other agreement or deed constituted or created by the Constituting Instrument with respect to the Series in question, provided that such change would not in the opinion of the Trustee be materially prejudicial to the interests of the Noteholders of the Series in question.

(d) *Entitlement of the Trustee*

In connection with the exercise of its powers, trusts, authorities or discretions (including but not limited to those in relation to any proposed modification, waiver, authorisation or substitution as aforesaid) the Trustee shall not have regard to the consequences of such exercise for individual Noteholders or of holders of any other notes or bonds, resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory and the Trustee shall not be entitled to require, nor shall any Noteholder be entitled to claim, from the Issuer any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders.

(e) *Swap Counterparty*

If, in relation to the relevant Series, there is one or more Charged Agreements, the Issuer shall not agree to any amendment or modification of the Conditions, the Trust Deed and/or any Additional Charging Instrument, if applicable, without first obtaining the written consent of the relevant Swap Counterparty, which consent may be granted or refused in the discretion of such Swap Counterparty.

14. Notices

Notices to holders of Registered Notes will be posted to them at their respective addresses in the Register and deemed to have been given on the seventh day after the date of posting. Other notices to Noteholders will be valid if published in a leading daily newspaper (expected to be the *Financial Times*) having general circulation in London and (so long as the Notes are Listed Notes and the rules of any relevant stock exchange or competent authority so require) in any such other newspaper in which publication is so required by the rules of that stock exchange or competent authority or, if in the opinion of the Trustee such publication shall not be practicable, in an English language newspaper of general circulation in Europe approved by the Trustee. Any such notice (other than to holders of Registered Notes as specified above) shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made. Receiptholders, Couponholders and Talonholders will be deemed for all purposes to have notice of the contents of any notice given to the holders of Bearer Notes in accordance with this Condition.

So long as any Notes are represented by Global Notes or Global Registered Certificates notices in respect of those Notes may be given by delivery of the relevant notice to Clearstream, Luxembourg, Euroclear,

DTC or the relevant Alternative Clearing System for communication by them to entitled account holders or (in the case of a Global Registered Certificate registered in the name of a person other than a nominee for Euroclear, Clearstream, Luxembourg, or an Alternative Clearing System) to such person for communication by it to those persons entered in the records of such person as being entitled to such notice, in each case, in substitution for publication in a leading daily newspaper with general circulation in London as aforesaid.

In addition, if and for so long as the Notes are listed on a stock exchange, all notices to holders of the Notes will be published in accordance with the rules of such stock exchange.

15. Indemnification of the Trustee

The Trust Deed provides for the indemnification of the Trustee and for its relief from responsibility for the validity, sufficiency and enforceability (which the Trustee has not investigated) of the security created over the Collateral, including provisions relieving it from taking proceedings to enforce repayment or from taking any action in accordance with the Constituting Instrument, the Deed of Floating Charge (if any) or any Additional Charging Instrument without being first secured and/or indemnified to its satisfaction. The Trustee is entitled to enter into business transactions with the Issuer, any issuer or guarantor of, or other obligor in respect of, the assets, rights and/or benefits comprising the Charged Assets, any Swap Counterparty, any Agent or any of their respective subsidiaries or associated companies without accounting to the holders of Notes, Receipts or Coupons for any profit resulting therefrom.

The Trust Deed provides that the Trustee is exempted from any liability in respect of any loss, diminution in value or theft of all or any part of the Collateral, from any obligation to insure all or any part of the Collateral (including, in either such case, any documents evidencing, constituting or representing the same or transferring any rights, benefits and/or obligations thereunder) or to procure the same to be insured and from any claim arising from all or any part of the Collateral (or any such document aforesaid) being held in an account with Euroclear, Clearstream, Luxembourg, DTC or an Alternative Clearing System in accordance with that system's rules or otherwise held in safe custody by the Custodian or a bank or other custodian selected by the Trustee or the Custodian.

The Trust Deed provides that the Trustee will be under no obligation or duty to act on any directions of the Noteholders or any Swap Counterparty (save as expressly provided in these Conditions, the Trust Deed and (save as aforesaid), in the event of any conflict between directions given by the Noteholders and by any Swap Counterparty, it shall be entitled to act in accordance only with the directions of the Noteholders unless such Swap Counterparty gives directions to the Trustee in connection with any failure to pay when due any amount at any time owing to such Swap Counterparty in respect of the relevant Charged Agreement or (as the case may be) the Agency Agreement or Custody Agreement the payment or repayment of which is secured pursuant to the Trust Deed, in which case the Trustee shall be entitled to act in accordance only with the directions of any Swap Counterparty (but without prejudice to the provisions concerning enforcement of the security under Condition 4(c) and the Constituting Instrument and to the provisions concerning the application of moneys received by the Trustee in accordance with Condition 4(d) and the Trust Deed).

The Trust Deed provides that the Trustee shall not be bound or concerned to make any investigation into the creditworthiness of any Swap Counterparty or of any obligor under any Charged Assets or the validity or enforceability of any of the obligations of any Swap Counterparty, under any Charged Agreement or of any obligor under the terms of any Charged Asset (including, without limitation, whether the cashflows from any Charged Assets, the Charged Agreement and the Notes are matched).

16. Further Issues

Without prejudice to the issue by the Issuer of a Series of Notes comprising more than one Tranche or class of Notes in the manner contemplated by Condition 3, the Issuer shall be at liberty from time to time without the consent of the Noteholders to:

- (a) create and issue Series of Notes on terms that such Series shall not be consolidated with or form a single series with any other Series of Notes and will not be secured on the Collateral or underlying assets for or in relation to any such Series and will form a separate Series of Notes; or
- (b) create and issue notes ("**Further Notes**") on terms that such Further Notes shall be consolidated and form a single Series with the Notes of any existing Series (an "**Existing Series**") but so long as

confirmation is obtained from any Rating Agency that has, at the request of the Issuer, assigned a rating to the Existing Series that its then current rating of the Notes of the relevant Existing Series will not be withdrawn or adversely affected thereby and provided that:

- (i) the Further Notes together with the Notes of the Existing Series are secured on the Issuer's right, title and interest in and to the Charged Assets for the Existing Series (the "**Original Charged Assets**") and assets (the "**Further Charged Assets**") which are identical to the Original Charged Assets in every material respect and the nominal amount of which bears the same proportion to the nominal amount of the Further Notes as the proportion which the nominal amount of the Original Charged Assets bears to the nominal amount of the Notes of such Existing Series;
- (ii) the Conditions of the Further Notes are identical to the Conditions of the Notes of such Existing Series except in respect of the first amount of interest (if any) in respect thereof;
- (iii) the Further Notes are constituted by a constituting instrument supplemental to the Constituting Instrument in respect of the Notes of such Existing Series (the "**Further Constituting Instrument**");
- (iv) if the Issuer has entered into a Charged Agreement (the "**Original Charged Agreement**") in respect of such Existing Series, the Issuer enters into an agreement or agreements supplemental to the Original Charged Agreement (the "**Further Charged Agreement**") extending the provisions of the Original Charged Agreement, *pro rata*, to cover amounts receivable in respect of the Further Charged Assets and the obligations of the Issuer in respect of the Further Notes;
- (v) the security interests granted by the Issuer in such Further Constituting Instrument and/or any further Additional Charging Instrument executed pursuant to such Further Constituting Instrument are granted to the Trustee (i) for any Swap Counterparty (if there is a Further Charged Agreement) to secure the obligations of the Issuer under both the Original Charged Agreement and the Further Charged Agreement and (ii) for all of the Noteholders of the consolidated Series on the same basis as that applicable to the Noteholders of the Existing Series; and
- (vi) in the case of an Existing Series which is rated by any Rating Agency at the request of the Issuer each rating (if any) of the Charged Assets and the Further Charged Assets at the date of issue of the Further Notes will be identical to the rating (if any) of the Original Charged Assets at the date of issue of the Notes of the Existing Series.

Upon any issue of Further Notes pursuant to this Condition 16, all references in these Conditions to "**Notes**", "**Charged Assets**", "**Constituting Instrument**" and "**Charged Agreement**" shall be deemed (where the context permits) to be references to the Notes and the Further Notes (including, where the context admits, any Receipts, Coupons or Talons appertaining thereto), the Original Charged Assets and the Further Charged Assets, the Constituting Instrument and the Further Constituting Instrument, and the Original Charged Agreement and the Further Charged Agreement, respectively. The Issuer may not, without the consent of the Noteholders by Extraordinary Resolution, issue any separate Series of Notes (other than Further Notes, as described above) which are secured on the assets comprised in the Collateral for the Notes of this Series except as otherwise specified (and then only to the extent so specified) in the Constituting Instrument relating to the Notes.

Further, if the Notes are rated (at the request of the Issuer) by any Rating Agency or Rating Agencies the Issuer undertakes to the Trustee, the Noteholders and each Swap Counterparty in relation to the Notes that it will promptly notify the Trustee and such Rating Agency or Rating Agencies of each Discrete Series to be created or issued by it or Alternative Investments to be entered into by it, prior to the creation or issue or entering into thereof and shall, prior to the creation or issue of such Discrete Series or the entering into of such Alternative Investments, obtain written confirmation from such Rating Agency or Rating Agencies that its then current rating of the Notes will not be adversely affected or withdrawn by the relevant Rating Agency or Rating Agencies as a result of the issue or creation of such Discrete Series or the entering into of such Alternative Investments (whether or not such Discrete Series or Alternative Investments are to be rated, at the request of the Issuer, by the relevant Rating Agency or Rating Agencies).

Unless specified to the contrary in the Constituting Instrument, the provisions of Condition 16(b) (i), (ii), (iv), (v), (vi) and (vii) shall apply, mutatis mutandis, to any subsequent re-sale or re-issue of the Notes contemplated and permitted by such Constituting Instrument pursuant to Condition 7(j).

17. Taxation

(a) *Withholding or deductions on payments in respect of the Notes, Receipts or Coupons*

All payments in respect of the Notes, Receipts or Coupons (if any) will be made without withholding or deduction for, or on account of, any present or future taxes, duties or charges of whatsoever nature unless the Issuer or the Registrar or any Transfer Agent or any Paying Agent is required by applicable law to make any such payment in respect of the Notes, Receipts or Coupons (if any) subject to any withholding or deduction for, or on account of, any present or future taxes, duties or charges of whatsoever nature. In that event, the Issuer or such Paying Agent, Registrar or Transfer Agent (as the case may be) shall make such payment after such withholding or deduction has been made and shall account to the relevant authorities for the amount so required to be withheld or deducted. Neither the Issuer, the Swap Counterparty, the Arranger nor any Paying Agent, Registrar or Transfer Agent will be obliged to make any additional payments to the Noteholders in respect of such withholding or deduction. Before any payment in respect of the Notes is made without any withholding or deduction, the Issuer (or the Principal Paying Agent or Registrar on its behalf) is entitled to request a Noteholder to provide, and the Noteholder shall be required to provide, the Issuer with such information as the Issuer (or such Agent) considers necessary for it to satisfy itself that any statutory requirements enabling it to pay amounts in respect of the Notes without any such deduction or withholding have been complied with. For the purposes of this Condition 17(a), any withholding on account of FATCA shall be deemed to be required by applicable law.

(b) *FATCA and Non-US FATCA Information*

Each Noteholder and beneficial owner of Notes shall provide the Issuer and/or any agent acting on behalf of the Issuer with such documentation, information or waiver as may be requested by the Issuer and/or any agent acting on behalf of the Issuer in order for the Issuer to comply with any obligations it, and/or any agent acting on its behalf, may have under (i) FATCA; or (ii) any current or future laws, regulations, guidance or practices adopted pursuant to, or for the purposes of implementing, or under any agreement entered into pursuant to or in connection with, any other intergovernmental agreement or standard for the automatic cross-border exchange of tax information, in each case as the same may be amended from time to time ((ii) being "**Non-US FATCA**").

(c) *Disclosure of Information*

Notwithstanding anything to the contrary in the Terms and Conditions of the relevant Notes, the applicable Constituting Instrument or any of the other Series Documents or otherwise, each Noteholder and beneficial owner of Notes hereby agrees to waive any provision of any applicable law, regulations, guidance or practices that would, absent a waiver, prevent any of the Issuer, the Trustee, the Swap Counterparty and the Agents (the "**Transaction Parties**") (or any agent acting on behalf of any of them) from complying with its obligations under FATCA or Non-US FATCA and hereby consents to the disclosure by each Transaction Party (or any agent acting on its behalf) of such information relating to such Noteholder and/or beneficial owner and the relevant Notes (including payments thereunder) as such Transaction Party may determine is necessary or desirable to comply with FATCA or Non-US FATCA.

18. Governing Law and Submission to Jurisdiction

The Trust Deed, the relevant Constituting Instrument, the Agency Agreement, the Custody Agreement (if any) and the Charged Agreement (if any) and the Notes, the Receipts, the Coupons and the Talons (if any) and all other documents to which, by execution of the Constituting Instrument, the Issuer becomes a party in respect of a Series and all non-contractual obligations and any other matters arising from each of the foregoing, are governed by and shall be construed in accordance with English law. Each Additional Charging Instrument (if any) shall be governed by and construed in accordance with the law specified therein. Each Charged Agreement (if any) shall be governed by and construed in accordance with English law, unless otherwise specified in the Constituting Instrument. The Issuer has submitted to the jurisdiction

of the English courts for all purposes in connection with the Notes, the Receipts, the Coupons and the Talons (if any), the Trust Deed, the Agency Agreement and the Custody Agreement (if any) and by the Constituting Instrument has appointed an agent in London to accept service of process on its behalf in connection with service of proceedings in the English courts.

Save as specified otherwise in the Constituting Instrument, no person shall have any right to enforce any of the Conditions of the Notes under the Contracts (Rights of Third Parties) Act 1999.

Master Conditions (February 2021 Edition – Version 2)

If the relevant Constituting Instrument indicates that the Master Conditions (February 2021 Edition – Version 2) shall apply for a Series or Tranche of Notes, the following terms and conditions, subject to completion and amendment and as supplemented, varied or restated in accordance with the provisions of the relevant Constituting Instrument and save for the italicised paragraphs, will be incorporated by reference into the Trust Deed constituting such Series or Tranche of Notes and endorsed on such Notes in definitive form (if any). The relevant Constituting Instrument will also indicate, or set out in full, those provisions of these terms and conditions, and the amendments, variations and the supplementary provisions to such terms and conditions or any restatement thereof, which are, in each case, applicable to the Notes of such Series or Tranche.

The Issuer (as defined below) has established a Programme for the issue of Notes (as defined below) and the making of Alternative Investments (as defined in Condition 5). Notes issued under the Issuer's Programme are issued in Series (each, a "**Series**") and each Series may comprise one or more tranches (each, a "**Tranche**") of Notes. Each particular Series of Notes is constituted, governed and secured (where applicable) by or pursuant to a constituting instrument relating to the Notes (the "**Constituting Instrument**") dated the Issue Date (as defined in Condition 6(j)) between the "**Issuer**" (as defined in the Constituting Instrument), each person (if any) named therein as a swap counterparty (each a "**Swap Counterparty**"), which expression as used herein shall mean all or any of such persons, as the case may be), the "**Trustee**" (as defined in the Constituting Instrument and which expression shall include all persons for the time being the trustee or trustees under the Trust Deed, as defined below) and the other parties (if any) named therein. The Constituting Instrument constitutes and (where applicable) secures the Notes by the creation of a trust deed (the "**Trust Deed**") on the terms (as amended, modified and/or supplemented by the Constituting Instrument) set out in the master trust terms (the "**Master Trust Terms**") as specified in the Constituting Instrument. The terms and conditions applicable to the Notes the subject of the Constituting Instrument (in these terms and conditions, the "**Notes**") are these terms and conditions (the "**Master Conditions**"), as amended, modified and/or supplemented by the Constituting Instrument. In the event of any inconsistency between these terms and conditions and the Constituting Instrument, the Constituting Instrument shall prevail. References to the "**Conditions**" shall be construed in relation to a Series or a Tranche as a reference to these Master Conditions as amended, supplemented or restated in relation to such Series or Tranche by the relevant Constituting Instrument. References in the Conditions to the "**Notes**", a "**Series**" or a "**Tranche**" shall be deemed to be references to the Notes, the Series or the Tranche that are or is the subject of the relevant Constituting Instrument and not to all Notes, Series or Tranches that may be issued under the Issuer's Programme.

By executing the Constituting Instrument, the Issuer has entered into an agency agreement (the "**Agency Agreement**") with one or more of the parties defined in the Constituting Instrument as the "**Issue Agent**", the "**Principal Paying Agent**", the "**Interest Calculation Agent**", the "**Determination Agent**", the "**Realisation Agent**", the "**Registrar**", the "**Transfer Agent**" (which term may include more than one Transfer Agent) and any other "**Paying Agents**" (such other Paying Agents being defined as such together with the Principal Paying Agent), the Trustee and each Swap Counterparty (if any) on the terms (as amended, modified and/or supplemented by the Constituting Instrument) set out in the master agency terms (the "**Master Agency Terms**") as specified in the Constituting Instrument.

The Constituting Instrument will state whether the Issuer has entered into (i) a charged agreement as referred to in Condition 4(b) (the "**Charged Agreement**") with the Swap Counterparty with respect to a Series by executing the Constituting Instrument on the terms (as amended, modified and/or supplemented by the Constituting Instrument) set out in the master charged agreement terms (the "**Master Charged Agreement Terms**") as specified in the Constituting Instrument or (ii) a custody agreement in respect of the Notes (the "**Custody Agreement**") with the "**Custodian**" (as defined in the Constituting Instrument), the Trustee and each Swap Counterparty (if any) on the terms (as amended, modified and/or supplemented by the Constituting Instrument) set out in the master custody terms (the "**Master Custody Terms**") as specified in the Constituting Instrument. In the event the Constituting Instrument does not state that there is a Charged Agreement or a Custody Agreement, the Conditions shall be construed as if references to any Swap Counterparty, any Charged Agreement, any Custodian and/or any Custody Agreement were not applicable.

The master definitions (the "**Master Definitions**") as specified in the Constituting Instrument (as amended, modified and/or supplemented by the Constituting Instrument) will apply for the purposes of interpretation of the Conditions, except as expressly provided therein or as the context otherwise requires. References in the Conditions to the "**Placing Agreement**" in relation to the Notes are to the relevant placing agreement

between the Issuer and the Arranger and/or Dealers as constituted by the Constituting Instrument on the terms (as amended, modified and/or supplemented by the Constituting Instrument) set out in the master placing terms (the "**Master Placing Terms**") as specified in the Constituting Instrument and references to the "**Charged Assets Sale Agreement**" are to the relevant charged assets sale agreement between the Issuer and the seller of the Charged Assets (as defined in Condition 4(a)) as constituted by the Constituting Instrument on the terms (as amended, modified and/or supplemented by the Constituting Instrument) set out in the master charged assets sale terms (the "**Master Charged Assets Sale Terms**") as specified in the Constituting Instrument. In the event the Constituting Instrument does not state that there is a Charged Assets Sale Agreement, the Conditions shall be construed as if references to any Charged Assets Sale Agreement were not applicable. In the event the Constituting Instrument states that there are no Charged Assets, the Conditions shall be construed as if references to any Charged Assets were not applicable.

Statements in the Conditions are summaries of, and subject to, the detailed provisions appearing in the Trust Deed relating to the Notes and, if it is stated in the Constituting Instrument that the Notes are issued with the benefit of one or more additional instruments (each an "**Additional Charging Instrument**") creating security interests over the Charged Assets, each Additional Charging Instrument. Copies of the Master Trust Terms, the Master Conditions, the Master Agency Terms, the Master Charged Agreement Terms, the Master Custody Terms, the Master Placing Terms, the Master Charged Assets Sale Terms, the Master Definitions, the Constituting Instrument in relation to the Notes and, if applicable, each Additional Charging Instrument are available for inspection at the registered office of the Issuer and by electronic means with the Trustee, the Paying Agents, the Registrar and the Transfer Agents (in each case, if any) in respect of the Notes.

In respect of the Notes, references in the Conditions to the "**Issue Agent**", the "**Principal Paying Agent**" or the "**Registrar**" shall include, respectively, any successor Issue Agent, Principal Paying Agent or Registrar and references in the Conditions to the "**Paying Agents**", the "**Transfer Agents**", the "**Determination Agent**", the "**Realisation Agent**" or the "**Custodian**" shall include, respectively, any successor or additional Paying Agents, Transfer Agents, Determination Agent, Realisation Agent or Custodian, in each case appointed in accordance with the Agency Agreement or, as the case may be, the Custody Agreement. In respect of the Notes, references in the Conditions to "**Agents**" are to the Issue Agent, the Principal Paying Agent, the other Paying Agents, the Registrar, the Transfer Agents, the Interest Calculation Agent, the Custodian, the Determination Agent, the Realisation Agent and each other agent appointed in accordance with the Agency Agreement or, as the case may be, the Custody Agreement, as applicable.

References herein to the "**Issuer**" shall mean the Issuer, as defined in the Constituting Instrument, acting directly or through its branch in Japan (the "**Japan Branch**"), as the context may require.

The holders of the Notes and the holders of the interest coupons (the "**Coupons**") (if any) appertaining to interest bearing Notes in bearer form (the "**Couponholders**", which expression includes the Talonholders and the Receiptholders referred to below), the holders of talons (the "**Talons**") (if any) for further coupons attached to such Notes (the "**Talonholders**") and the holders of instalment receipts (the "**Receipts**") appertaining to the payment of principal by instalments (the "**Receiptholders**") are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed relating to the Notes and, if applicable, any Additional Charging Instrument and to have notice of those provisions of the Custody Agreement, the Agency Agreement and the Charged Agreement applicable to them. References herein to the "**Arranger**" and the "**Dealers**" are to the person or person(s) specified as such in the relevant Constituting Instrument acting in its or their capacity as such and references to the "**Programme Memorandum**" are references to the Programme Memorandum in respect of the Issuer's Programme, as amended, supplemented, restated and replaced from time to time.

References in the Conditions to (i) "**principal**" shall be deemed to include any premium payable in respect of the Notes, all Instalment Amounts, Redemption Amounts, Amortised Face Amounts and all other amounts in the nature of principal payable pursuant to Condition 7 or any amendment or supplement to it and (ii) "**interest**" shall be deemed to include all Interest Amounts (as defined in Condition 6(l)) and all other amounts in the nature of interest payable pursuant to Condition 6 or any amendment or supplement to it.

1. Form, Denomination and Title

(a) Bearer Notes

- (1) If it is specified in the Constituting Instrument that Notes are in bearer form ("**Bearer Notes**"), the Bearer Notes if issued in definitive form shall be serially numbered in an Authorised Denomination (as defined in Condition 1(c)), and shall be D Notes (as defined below) unless specified in the Constituting Instrument that the Notes are C Notes (as defined below). The principal amount of each Note will be specified on its face.

No Bearer Note may be offered, sold or delivered within the United States or to or for the account of a U.S. Person (as defined in the U.S. Internal Revenue Code of 1986, as amended, and regulations thereunder (the "**Code**")), except in certain transactions permitted by U.S. tax regulations.

Each Series of Bearer Notes or a Tranche thereof issued pursuant to Section 1.163-5(c)(2)(i)(D) of the Treasury Regulations under the Code ("**D Notes**") will initially be represented by one or more notes in temporary global form (a "**Temporary Global Note**") without Receipts, Coupons or Talons, and each Series of Bearer Notes or a Tranche thereof issued pursuant to Section 1.163-5(c)(2)(i)(C) of the Treasury Regulations under the Code ("**C Notes**") will be represented by one or more notes in permanent global form (a "**Permanent Global Note**") without Receipts, Coupons or Talons or by definitive Bearer Notes. A Temporary Global Note and/or a Permanent Global Note, as the case may be, will be delivered to a common depository for Euroclear Bank S.A./N.V., as operator of the Euroclear system ("**Euroclear**") and Clearstream Banking S.A. ("**Clearstream, Luxembourg**"). Any reference herein to Euroclear or Clearstream, Luxembourg shall, wherever the context permits, be deemed to include a reference to any additional or alternative clearing system as specified in the applicable Constituting Instrument in which beneficial interests in the Notes are for the time being recorded (an "**Alternative Clearing System**") and shall include any successor in business to Euroclear or Clearstream, Luxembourg or any such Alternative Clearing System. Notwithstanding the foregoing, Bearer Notes shall not be eligible for deposit with The Depository Trust Company ("**DTC**"). Euroclear, Clearstream, Luxembourg, DTC and any Alternative Clearing System are each sometimes referred to herein as a "**Clearing System**" and collectively as "**Clearing Systems**". Any reference in this Condition 1(a) to a Permanent Global Note shall be deemed to be a reference to a Permanent Global Note representing either D Notes or C Notes, as the context requires, and any reference herein to a Note shall be deemed to be a reference to a D Note or a C Note, as the context requires.

If a date for the payment of interest on any Bearer Note occurs while such Bearer Note is represented by a Temporary Global Note, the related interest payment will be made against presentation of the Temporary Global Note only to the extent that certification of non-U.S. beneficial ownership (in the form set out in the Temporary Global Note) has been received by Euroclear or Clearstream, Luxembourg. Interests in a Temporary Global Note will be exchangeable for interests in a Permanent Global Note or for definitive Bearer Notes, with, where applicable, Receipts, Coupons and Talons attached in the circumstances and subject to the conditions specified in the Constituting Instrument, not earlier than the first day (the "**Exchange Date**") following the 40 day period commencing on the original issue date of the Notes (the "**40-Day Restricted Period**"), provided that certification of non-U.S. beneficial ownership has been received. Save for payments of interest as described above, no payments will be made on a Temporary Global Note unless, upon due presentation of a Temporary Global Note for exchange (together with certification of non-U.S. beneficial ownership), delivery of a Permanent Global Note (or, as the case may be, an interest therein) or definitive Bearer Notes is improperly withheld or refused and such withholding or refusal is continuing at the relevant due date for payment.

Payments of principal or interest (if any) in respect of a Permanent Global Note will be made through Euroclear or Clearstream, Luxembourg or the relevant Alternative Clearing System against presentation or surrender, as the case may be, of the Permanent Global Note. A Permanent Global Note will, if so provided in the relevant Constituting Instrument be exchangeable, in whole but not in part, for definitive Bearer Notes with, where applicable,

Receipts, Coupons and Talons attached (i) on request from the holder thereof (or all of the holders acting together, if more than one) upon not less than 60 days' prior written notice to the Issuer and the Issue Agent given (in the case of D Notes) not earlier than the relevant Exchange Date, (ii) if the Issuer would suffer a material disadvantage as a result of a change in laws or regulations (taxation or otherwise) or as a result of a change in the practice of Euroclear, Clearstream, Luxembourg or any Alternative Clearing System which would not be suffered were the Bearer Notes in definitive form and a certificate to such effect is given to the Trustee, or (iii) at the option of the holder (or of all the holders acting together, if more than one) if the Notes become due and payable as the result of an Event of Default in accordance with Condition 9 and payment is not made on due presentation of the Permanent Global Note for payment or if either Euroclear or Clearstream, Luxembourg or any Alternative Clearing System in which the Permanent Global Note is for the time being deposited is closed for business for a continuous period of 14 days (otherwise than by reason of holiday, statutory or otherwise) or announces an intention permanently to cease business or to cease to make its book-entry system available for settlement of beneficial interests in such Permanent Global Note or does in fact do either of such things and no Alternative Clearing System satisfactory to the Trustee and the Principal Paying Agent is available, all as set out in the Constituting Instrument.

No definitive Bearer Note delivered in exchange for a portion of a Permanent Global Note shall be sent by post or otherwise delivered to any location in the United States or its possessions in connection with such exchange.

- (2) Title to the Bearer Notes, the Receipts (if any) the Coupons (if any) and the Talons (if any) passes by delivery. In these Conditions, subject as provided below, "**Noteholder**" and (in relation to a Note, Receipt, Coupon or Talon) "**holder**" means the bearer of any Bearer Note, Receipt, Coupon or Talon (as the case may be). The holder of any Note, Receipt, Coupon or Talon will (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it, any writing on it, or its theft or loss) and no person will be liable for so treating the holder.

For so long as the Notes are represented by a Temporary Global Note or a Permanent Global Note (together "**Global Notes**") and the Global Notes are held on behalf of Euroclear and Clearstream, Luxembourg or on behalf of an Alternative Clearing System, beneficial interests in Notes will only be transferable in accordance with the rules and procedures for the time being of Euroclear and Clearstream, Luxembourg or such Alternative Clearing System, as appropriate, and each person who is for the time being shown in the records of Euroclear or Clearstream, Luxembourg (other than each such clearing system to the extent that it is an account holder with the other clearing system for the purpose of operating the "bridge" between the clearing systems) or an Alternative Clearing System as the holder of a particular principal amount of the Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg or such Alternative Clearing System as to the principal amount of the Notes standing to the account of any person shall be conclusive and binding for all purposes) shall be treated by the Issuer, the Trustee and the Agents as the holder of such principal amount of the Notes (and the expression "**Noteholders**" and references to "**holding of Notes**" and to "**holder of the Notes**" shall be construed accordingly) for all purposes other than the entitlement to receive payments of principal, interest or any amounts due on redemption in respect of the Global Notes and provided that such principal amount is an integral multiple of an Authorised Denomination.

The following legend will appear on all D Notes, Permanent Global Notes representing D Notes and any Receipts, Coupons or Talons in respect thereof:

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

The sections of the Code referred to in the foregoing legend provide that, with certain exceptions, a United States taxpayer will not be entitled to deduct any loss, and will not be entitled to capital gains treatment in respect of any gain realised, on any sale, disposition or payment of a Note, Receipt, Coupon or Talon for U.S. federal income tax purposes.

Unless otherwise specified in the Constituting Instrument, each purchaser or holder of Bearer Notes will be deemed to represent that it is not, and for so long as it holds any Notes will not be, an employee benefit plan subject to the fiduciary responsibility provisions of the U.S. Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), a plan subject to Section 4975 of the Code, a person or entity whose assets include the assets of any such employee benefit plan or plan by reason of 29 C.F.R. Section 2510.3-101 or otherwise, or any other employee benefit plan without regard to the federal, state, local or foreign law pursuant to which the plan is organised or administered, and such purchaser or holder is not using the assets of any such plan to acquire the Notes.

(b) *Registered Notes*

(1) General

If it is specified in the Constituting Instrument that Notes are in registered form or if as a result of an exchange of Bearer Notes pursuant to Condition 2(a) Notes are in registered form (in both cases, "**Registered Notes**"), such Registered Notes shall be in an Authorised Denomination or an integral multiple thereof as specified in the Constituting Instrument. The principal amount of each Note will be specified on the face of the definitive registered certificate ("**Registered Certificate**") or the global registered certificate ("**Global Registered Certificate**") as applicable representing the Registered Notes. Subject to the procedures discussed below, title to the Registered Notes passes by registration in the register which the Issuer shall procure to be kept by the Registrar (the "**Register**"). In these conditions, subject as provided below, "**Noteholder**" and "**holder**" means the registered holder of any Registered Notes.

(2) Non-U.S. Series/Non-U.S. Tranche

If the Registered Notes comprise a Series (a "**non-U.S. Series**") or a Tranche (a "**non-U.S. Tranche**") for which the Constituting Instrument specifies that the Notes may not be offered or sold in the United States or to, or for the account or benefit of (i) U.S. Persons (as defined in Regulation S under the Securities Act), (ii) U.S. persons (as defined in the final risk retention rules promulgated under Section 15G of the U.S. Securities Exchange Act of 1934, as amended (the "**Exchange Act**") or (iii) a person who comes within any definition of U.S. person for the purposes of the U.S. Commodity Exchange Act of 1936, as amended (the "**CEA**"), or any rule, guidance or order proposed or issued by the U.S. Commodity and Futures Trading Commission (the "**CFTC**") thereunder (including but not limited to any person who is not a "Non-United States person" under CFTC Rule 4.7(a)(1)(iv) and also including but not limited to a "U.S. Person" as described in and for the purposes of the CFTC's Interpretive Guidance and Policy Statement Regarding Compliance with Certain Swap Regulations, 78 Fed Reg. 45292 (July 26, 2013) as amended from time to time (any persons fall under any of (i) to (iii) above, ("**U.S. Persons**")), such Registered Notes will be initially represented by a Registered Certificate or a Global Registered Certificate.

Payments of principal or interest (if any) in respect of a Global Registered Certificate will be made through Euroclear or Clearstream, Luxembourg or the relevant Alternative Clearing System or, if so specified in the Constituting Instrument, through the person named in such Constituting Instrument, against, in the case of payments of principal only, presentation or surrender, as the case may be, of the Global Registered Certificate. A Global Registered Certificate will, if so provided in the relevant Constituting Instrument, be exchangeable, in whole but not in part, for Registered Certificates (i) on request from the holder thereof (or of all the holders acting together, if more than one) upon not less than 60 days' prior written notice to the Issuer and the Trustee or, (ii) if the Issuer would suffer a material disadvantage as a result of a change in laws or regulations (taxation or otherwise) or as a result of a change in the practice of Euroclear, Clearstream, Luxembourg or any Alternative Clearing System which would not be suffered were the Registered Notes in definitive form

and a certificate to such effect is given to the Trustee, (iii) at the option of the holder (or all of the holders acting together, if more than one) if the Notes become due and payable as the result of an Event of Default in accordance with Condition 9 and payment is not made on due presentation of the Global Registered Certificate for payment or if either Euroclear or Clearstream, Luxembourg or any Alternative Clearing System in which the Global Registered Certificate is for the time being deposited is closed for business for a continuous period of 14 days (otherwise than by reason of holiday, statutory or otherwise) or announces an intention permanently to cease business or to cease to make its book-entry system available for settlement of beneficial interests in such Global Registered Certificate or does in fact do either of such things and no Alternative Clearing System satisfactory to the Trustee and the Registrar is available, all as set out in the Constituting Instrument.

For so long as the Notes are represented by a Global Registered Certificate and the Global Registered Certificate is held on behalf of Euroclear and Clearstream, Luxembourg or an Alternative Clearing System, beneficial interests in Notes will only be transferable in accordance with the rules and procedures for the time being of Euroclear and Clearstream, Luxembourg or such Alternative Clearing System, as appropriate, and each person who is for the time being shown in the records of Euroclear or Clearstream, Luxembourg (other than each such clearing system to the extent that it is an account holder with the other clearing system for the purpose of operating the "bridge" between the clearing systems) or an Alternative Clearing System as the holder of a particular principal amount of the Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg or such Alternative Clearing System as to the principal amount of the Notes standing to the account of any person shall be conclusive and binding for all purposes) shall be treated by the Issuer, the Trustee and the Agents as the holder of such principal amount of the Notes (and the expression "**Noteholders**" and references to "**holding of Notes**" and to "**holder of the Notes**" shall be construed accordingly) for all purposes other than the entitlement to receive payments of principal, interest or any amounts due on redemption in respect of the Global Registered Certificate.

Each initial purchaser and subsequent transferee of Registered Notes of a Non-U.S. Series or a Non-U.S. Tranche, unless otherwise specified in the related Series Memorandum, will be deemed to have represented, warranted, undertaken, acknowledged and agreed with the Issuer, the Arranger and the Dealers:

- (i) that the Notes have not been and will not be registered under the Securities Act or any state securities laws and the Issuer is not and will not be registered as an investment company under the U.S. Investment Company Act of 1940, as amended (the "**1940 Act**"). Accordingly, the Notes may not be offered, sold or otherwise transferred within the United States or to, or for the account or benefit of, any U.S. Person; and
- (ii) that it is not, and for so long as it holds any Notes will not be, an employee benefit plan subject to the fiduciary responsibility provisions of ERISA, a plan subject to Section 4975 of the Code, a person or entity whose assets include the assets of any such employee benefit plan or plan by reason of 29 C.F.R. Section 2510.3-101 or otherwise, or any other employee benefit plan without regard to the federal, state, local or foreign law pursuant to which the plan is organised or administered, and such purchaser or holder is not using the assets of any such plan to acquire the Notes.

Subject to the restrictions (if any) referred to in the Constituting Instrument, Registered Notes of a non-U.S. Series or a non-U.S. Tranche which are represented by a Registered Certificate may be transferred in whole or in part in an Authorised Denomination or an integral multiple thereof upon the surrender of the Registered Certificate representing such Registered Notes, together with the form of transfer endorsed on it duly completed and executed, at the specified office of the Registrar or any Transfer Agent. In the case of a transfer of part only of a Registered Certificate, new Registered Certificates in the relevant amounts will be issued to the transferor and the transferee.

Each new Registered Certificate to be issued upon transfer of Registered Notes of a non-U.S. Series or a non-U.S. Tranche will (subject as referred to in the Constituting Instrument), within three business days (in the place of the specified office of the Registrar or Transfer Agent to whom the form of transfer shall have been delivered) of receipt of such form of transfer, be available for delivery at the specified office of the Transfer Agent or of the Registrar (as the case may be) stipulated in the form of transfer, or be mailed at the risk of the holder entitled to the Registered Certificate to such address as may be specified in such form of transfer.

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

No Noteholder may require the transfer of a Registered Note to be registered during the period of 15 days ending on the due date for any payment of principal, interest or any amounts due upon redemption of such Note.

If Registered Notes are represented by a Global Registered Certificate, such Global Registered Certificate will be registered in the name of a nominee for Euroclear and Clearstream, Luxembourg or an Alternative Clearing System or in the name of such other person as the Constituting Instrument shall provide.

(3) U.S. Series/U.S. Tranche

Unless otherwise specified in the applicable Constituting Instrument, the Issuer may not issue Notes of a Series (a "**U.S. Series**") or a Tranche (a "**U.S. Tranche**") which may be offered or sold in the United States or to, or for the account or benefit of, U.S. Persons.

(c) *Authorised Denomination*

Authorised Denomination means the denomination or denominations specified as such in the Constituting Instrument .

(d) *Type of Note*

This Note is a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note, a Variable Coupon Amount Note, a Long Maturity Note, an Interest Only Note (depending upon the basis for calculating interest specified in the Constituting Instrument) or such other form of Note as the Issuer and the Arranger may agree that the Issuer can issue under the Programme and shall have such other terms as are specified in the Constituting Instrument. All payments in respect of this Note shall be made in the currency shown on its face unless it is specified in the Constituting Instrument to be a Dual Currency Note (which for the purposes of these Conditions shall include Notes in respect of which payments shall, or may at the option of the Issuer or any holder, be made in more than one currency or in a different currency than that which would otherwise prevail in the absence of the exercise of any such option), in which case payments shall be made on the basis specified in the Constituting Instrument.

Interest bearing Bearer Notes are issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Zero Coupon Notes in which case references to interest (other than in relation to interest (if any) due after the Maturity Date (as defined in Condition 7(a)), or other date for redemption) and Coupons in these Conditions are not applicable. After all the Coupons attached to or issued in respect of any Bearer Note which was issued with a Talon have matured, a coupon sheet comprising further Coupons (other than Coupons which would be void) and, if applicable, one further Talon, will be issued against presentation and surrender of the relevant Talon at the specified office of any Paying Agent. Any Bearer Note the principal amount of which is redeemable in instalments is issued with one or more Receipts attached.

2. Exchange of Notes

(a) *Exchange of Bearer Notes*

Subject as provided in this Condition 2 and provided that, in the case of D Notes, certification of non-U.S. beneficial ownership has been received, Bearer Notes exchangeable for Registered Notes ("**Exchangeable Bearer Notes**") may be exchanged for the same aggregate principal amount of Registered Notes of an Authorised Denomination at the request in writing of the relevant Noteholder and upon surrender of the Exchangeable Bearer Note to be exchanged together with all unmatured Receipts, Coupons and Talons relating to it (if any) at the specified office of the Registrar or any Transfer Agent. Where, however, an Exchangeable Bearer Note is surrendered for exchange after the Record Date (as defined in Condition 8(b)(2)) for any payment of interest, the Coupon in respect of that payment of interest need not be surrendered with it.

Registered Notes may not be exchanged for Bearer Notes, unless otherwise specified in the Constituting Instrument.

(b) *Delivery of new Registered Certificate/Global Registered Certificate*

Each new Registered Certificate or Global Registered Certificate to be issued upon request for exchange of Exchangeable Bearer Notes will, within three business days (in the place of the specified office of the Registrar or Transfer Agent to whom such request for exchange shall have been delivered) of receipt of such request for exchange, be available for delivery at the specified office of the Transfer Agent or of the Registrar (as the case may be) stipulated in the request for exchange, or be mailed at the risk of the holder entitled to the Registered Certificate or Global Registered Certificate to such address as may be specified in such request for exchange.

(c) *Formalities free of charge*

The issue of Registered Certificates or a Global Registered Certificate upon an exchange of Bearer Notes and registration of the holder thereof will be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agents, but upon payment by the relevant holder (or the giving of such indemnity by the relevant holder as the Registrar or the relevant Transfer Agent may require) in respect of any tax or other governmental charges which may be imposed in relation to it.

(d) *Closed periods*

No Noteholder may require a Bearer Note to be exchanged for a Registered Note during the period of 15 days ending on the due date for any payment of principal on that Note or any payment of interest thereon or after such Note has been called for redemption.

(e) *Authorised Denomination*

Bearer Notes of one Authorised Denomination may not be exchanged for Bearer Notes of another Authorised Denomination.

3. Status of Notes and Issuer Expenses

(a) *Status*

The Notes, Receipts, Coupons and Talons (if any) of any Series are secured limited recourse obligations of the Issuer, recourse in respect of which is limited in the manner described in Condition 10 and will rank *pari passu* without any preference among themselves, save in the case of a Series of Notes comprising more than one Tranche or class of Notes, in which case the Notes of each such Tranche or class will rank *pari passu* and without any preference among themselves but not, save to the extent specified in the Constituting Instrument, with Notes of another Tranche or class comprised in such Series. In such a case the ranking and preference of each class or Tranche of Notes will be as set out in the Constituting Instrument.

(b) *Issuer Expenses*

The fees, costs and expenses payable by or on behalf of the Issuer in respect of the issuance of Notes and Alternative Investments from time to time under the Programme shall be paid by the Arranger pursuant to the terms of the expenses letter entered into between the Issuer, the Trustee and the Arranger (the "**Programme Expenses Letter**") and the fees, costs and expenses of the Issuer in respect of any Series of Notes, to the extent that the Arranger will not have already agreed to pay such costs and expenses pursuant to the Programme Expenses Letter, shall be paid by the Arranger pursuant to an expenses letter in respect of the relevant Series between the Issuer, the Trustee and the Arranger (the "**Series Expenses Letter**").

4. Security

(a) *Security*

Unless otherwise specified in the Constituting Instrument and/or any Additional Charging Instrument, if applicable, any and all security granted by the Issuer in respect of any Series shall be granted with full title guarantee and as continuing security in favour of the Trustee, who shall hold such security on trust for the Custodian, the Principal Paying Agent, the Registrar, each Swap Counterparty, if there are one or more Charged Agreements in respect of the Series, the Noteholders and such other persons as may be specified in the Constituting Instrument and/or any Additional Charging Instrument, if applicable, such security being held in the order of priority described in Condition 4(d) and as more particularly specified in the Constituting Instrument and/or any Additional Charging Instrument, if applicable.

The obligations of the Issuer under the Notes and the Receipts or Coupons (if any) appertaining thereto are, unless otherwise specified in the Constituting Instrument and/or any Additional Charging Instrument, if applicable, secured by:

- (i) a first fixed charge on, and/or by an assignment of and/or another security interest over, certain securities and/or agreements and/or rights (contractual or otherwise) and/or other assets (and/or the benefit, interest, right and/or title thereof, therein or thereto) (including, without limitation, as the case may be, (aa) debt securities or negotiable instruments (including, without limitation, bonds, commercial paper, notes, debentures, promissory notes, certificates of deposit or bills of exchange) of any form, denomination, type and issuer, (bb) shares, stock or other equity securities of any form, denomination, type and issuer, (cc) the benefit of loans, evidences of indebtedness or other rights of any kind whatsoever, contractual or otherwise (including, without limitation, sub-participations, documentary or stand-by letters of credit or swap, option, exchange or other arrangements of the type contemplated in the definition of "Charged Agreement" in Condition 4(b), derivatives, commodity interests, assignments, participations, transferable loan certificates or instruments and/or any other instrument comprising, evidencing, representing and/or transferring such securities and/or agreements and/or rights (contractual or otherwise)) assigned or transferred to, or otherwise vested in, or entered into by, the Issuer as specified in the Conditions or (dd) cash (the "**Charged Assets**", which expression shall include any Replacement Charged Assets) and all rights and all sums ("**Proceeds**") derived therefrom);
- (ii) an assignment by way of security of the Issuer's rights against the Custodian under the Custody Agreement and all sums derived therefrom and a first fixed charge on all funds in respect of the Charged Assets held from time to time by the Custodian;
- (iii) a first fixed charge on all funds held from time to time by the Principal Paying Agent or, as the case may be, the Registrar to meet payments due under the Notes, the Receipts and the Coupons (if any), including any Cash Collateral held in the Cash Account in relation to the Notes;
- (iv) an assignment by way of security of the Issuer's rights, title and interest under the Agency Agreement and all sums derived therefrom; and

- (v) an assignment by way of security of the Issuer's rights, title and interest against the Arranger and each Dealer in relation to the Notes under the relevant Placing Agreement and against the seller of the Charged Assets under the relevant Charged Assets Sale Agreement.

In addition, if the Notes are issued (a) by the Japan Branch or (b) by the Issuer acting directly but on terms that the proceeds of issue of any Series (or a portion thereof) may, if so specified in the relevant Constituting Instrument, be on-lent to the Japan Branch for application, inter alia, in the acquisition of the Charged Assets, the security for such Series shall also include a pledge governed by Japanese law granted by the Japan Branch over the Charged Assets (or the relevant Charged Assets acquired by the Japan Branch) in favour of the Trustee.

Save as otherwise specified in the Constituting Instrument, the obligations of the Issuer under the Notes and the Receipts or Coupons (if any) appertaining thereto are also secured by an assignment of the Issuer's rights, title, benefit and interest in, to and under each Charged Agreement. Unless otherwise provided in the Constituting Instrument, such security shall extend to the obligations of the Issuer under any Further Notes (as defined in Condition 16) (and the Receipts and Coupons (if any) appertaining thereto) issued in accordance with Condition 16 and consolidated and forming a single Series with this Series. The property and other assets described above securing the obligations of the Issuer under the Notes (and any Further Notes) and the Receipts and Coupons (if any) appertaining thereto are herein collectively referred to as the "Collateral".

The Issuer's obligations to each Swap Counterparty under a Charged Agreement, each Custodian under a Custody Agreement and each Principal Paying Agent and each Registrar under an Agency Agreement are, unless otherwise specified in the Constituting Instrument, secured as provided in the second preceding paragraph and sub-paragraphs (i) to (v) of this Condition 4(a). Unless otherwise provided in the Constituting Instrument or in the Further Constituting Instrument (as defined in Condition 16), such security in favour of a Swap Counterparty shall extend to the obligations of the Issuer under any Further Charged Agreement (as defined in Condition 16) supplemental to such Charged Agreement entered into in accordance with Condition 16.

To the extent that an obligor in respect of the Charged Assets fails to make payments to the Issuer under the relevant Charged Assets on the due date therefor, the Issuer will be unable to meet its obligations under the Charged Agreement and/or unable to meet its obligations in respect of the Notes, the Receipts, or the Coupons (if any) as and when they fall due. In such event, and subject to Condition 4(c), the Notes will become repayable in accordance with Condition 7, subject to the provisions of Condition 10.

The Notes are capable of being declared immediately due and repayable prior to their stated date of maturity or other date or dates for their redemption following the occurrence of any of the events of default more particularly specified in Condition 9. On notice having been given to the Issuer by the Trustee following any such occurrence, the Notes will become repayable in accordance with Condition 9, subject to the provisions of Condition 10.

Upon the Notes becoming repayable, the amount payable to Noteholders may be less, and potentially substantially less, than the principal amount of the Notes.

(b) *Charged Agreements*

The Issuer (acting directly or through the Japan Branch) has, unless otherwise specified in the Constituting Instrument, entered into one or more Charged Agreements. A Charged Agreement may comprise (i) any transaction which is a rate swap transaction, swap option, basis swap, forward rate transaction, commodity swap, commodity option, equity or equity index swap, equity or equity index option, bond option, interest rate option, foreign exchange transaction, cap transaction, floor transaction, collar transaction, currency swap transaction, cross-currency rate swap transaction, currency option, credit protection transaction, credit swap, credit default swap, credit default option, total return swap, credit spread transaction, repurchase transaction, reverse repurchase transaction, buy/sell-back transaction, securities lending transaction, or forward purchase or sale of a security, commodity or other financial instrument or interest (including any option with respect to any of these transactions), in each case, as applicable, whether single-name

or portfolio-based, (ii) any transaction which is a type of transaction that is similar to any transaction referred to in (i) that is currently, or in the future becomes, recurrently entered into in the financial markets (including terms and conditions incorporated by reference in such agreement) and that is a forward, swap, future, option or other derivative on one or more rates, currencies, commodities, equity securities or other equity instruments, debt securities or other debt instruments, or economic indices or measures of economic risk or value and any combination of the foregoing transactions, or (iii) any other transaction executed with a Swap Counterparty specified in the Constituting Instrument under which a Swap Counterparty may make certain payments and/or deliveries of securities or other assets to the Issuer in respect of amounts due on or deliveries in respect of the Notes and Receipts or Coupons (if any) and the Issuer (acting directly or through the Japan Branch) may make certain payments and/or deliveries of securities or other assets to that Swap Counterparty on receipt thereof by the Issuer (acting directly or through the Japan Branch) out of sums or deliveries received by the Issuer on the Charged Assets all as more particularly described in the Constituting Instrument. Any Charged Agreement may, subject in the case of a rated Series to the requirements of any relevant recognised debt rating agency which at any time has assigned a current rating to the Notes at the request of the Issuer (such recognised debt rating agency or any such successor or replacement thereto or therefor or alternative rating agency being herein referred to as a "Rating Agency", and the terms "rated" and "rating" shall be construed accordingly), contain provisions requiring the relevant Swap Counterparty to deposit security, collateral or margin, or to provide a guarantee, in certain circumstances all as more particularly described in the Constituting Instrument. In the absence of such requirement, no such security, collateral, margin or guarantee will be made or provided. Each Charged Agreement will terminate if the Notes are redeemed pursuant to Condition 7(b), Condition 7(c), Condition 7(d), Condition 7(e), Condition 7(f), Condition 7(g) or Condition 7(h) or following a Non-Call Redemption and will be partially or wholly terminated in the event of a redemption pursuant to Condition 7(j) or Condition 7(m), a purchase pursuant to Condition 7(k) or on an exchange pursuant to Condition 7(l). In the event of an early termination, either party to a Charged Agreement may be liable to make a termination payment to the other as provided in such Charged Agreement.

To the extent that a Swap Counterparty fails to make payments due to the Issuer under any Charged Agreement the Issuer will be unable to meet its obligations in respect of the Notes or the Receipts or Coupons (if any). In such event, the Charged Agreement will be terminated and, subject to Condition 4(c), the Notes will become repayable in accordance with Condition 7.

The Trust Deed provides that the Trustee shall not be bound or concerned to, nor will the Issuer, make any investigation into the creditworthiness of any Swap Counterparty or any guarantor thereof, the validity or enforceability of any of any Swap Counterparty's obligations under any Charged Agreement or of any guarantee of any such obligation or any of the terms of any Charged Agreement (including, without limitation, whether the cashflows from the Charged Assets, any Charged Agreement and the Notes are matched) or any such guarantee.

Further information relating to Charged Agreements is provided in "Description of Charged Agreements".

(c) *Enforcement and Realisation of the Collateral*

In the event that the security constituted by the relevant Trust Deed and any Additional Charging Instrument shall become enforceable as provided in Condition 7(i), 7(j), 7(k) or 9 the Trustee shall have the right to enforce its rights under the Trust Deed and/or if applicable, any Additional Charging Instrument in relation to the Collateral and shall do so if so directed (i) in writing by the holders of at least one-fifth in principal amount of the Notes then outstanding or (ii) by an Extraordinary Resolution of the Noteholders or (iii) in writing by a Swap Counterparty (if any) if the relevant Charged Agreement (if any) has terminated in accordance with its terms and any sum remains owing to the Swap Counterparty under such Charged Agreement, but in each case without any liability as to the consequence of such action and without having regard to the effect thereof on, or being required to account for such action to, individual Noteholders or any Swap Counterparty, provided that the Trustee shall not be required to take any action unless, at its request, it is first secured and/or indemnified to its satisfaction.

If so specified in the Constituting Instrument, a Realisation Agent may be appointed in respect of a particular Series of Notes on the terms set out in the Constituting Instrument, provided that the Realisation Agent, on written notice to the Issuer and the Trustee, may resign its appointment as Realisation Agent at any time (with or without reason) and without any liability therefor, whereupon the terms and provisions in this Condition 4(c) in respect of such Realisation Agent and Series of Notes shall not apply to the Realisation Agent specified in such Constituting Instrument.

In addition, if a Realisation Agent has been appointed in respect of a particular Series of Notes, and the Notes are to be redeemed (in whole or in part) under Condition 7(i), 7(j), 7(k) or 9 or following a Non-Call Redemption and it is necessary for the Issuer to sell the Charged Assets or part thereof, the Issuer shall instruct the Realisation Agent to arrange for and administer such sale in accordance with this Condition 4(c), provided that the Realisation Agent, if it elects to act as Realisation Agent, shall not be required to take any action unless, at its request, it is first indemnified to its satisfaction by the Issuer and/or by the holder or holders of the Notes. By its purchase of any Notes, each holder thereof hereby fully and irrevocably releases the Realisation Agent and holds it harmless from any and all liability (however arising or based, in contract, tort, equity or otherwise) in respect of its actions or failures to act as Realisation Agent, except for any liability that shall have been caused by the Realisation Agent's own fraud or wilful default.

In connection with the foregoing, the security created over the relevant Charged Assets pursuant to the Trust Deed and/or any Additional Charging Instrument shall be released by the Trustee to the extent necessary to realise such Charged Assets. In connection with the foregoing, the Trustee shall have the right to (but shall not be obliged to), or shall if so directed (a) (i) in writing by the holders of at least one-fifth in principal amount of the Notes then outstanding or (ii) by an Extraordinary Resolution of the Noteholders, and (b) in writing by a Swap Counterparty (if any), by notice to the Realisation Agent and the Custodian, require any such instruction from the Issuer to the Realisation Agent to require the prior approval in writing of the Trustee. Where any such notice is so given to the Realisation Agent and the Custodian by the Trustee, neither the Realisation Agent nor the Custodian shall act on any such instruction of the Issuer contemplated in this Condition 4(c) without the prior written approval of the Trustee. The Trustee shall not be required to take any action contemplated in this Condition 4(c) unless, at its request, it is first secured and/or indemnified and/or prefunded to its satisfaction.

If a Realisation Agent has been appointed in respect of the Notes, the Realisation Agent shall endeavour to sell or otherwise realise the Charged Assets within a period (the "**Realisation Period**") of not less than 30 Business Days nor more than 40 Business Days or such other period as contemplated by these Conditions (or as otherwise specified in the Constituting Instrument) from the date on which it receives an instruction from the Issuer to do so (or, in the case of a situation where the Charged Assets are being redeemed or purchased at the option of the obligor thereof (an "**Obligor Option**"), not less than 10 Business Days nor more than 20 Business Days from the end of the notice period of such option, where it receives an instruction from the Issuer to do so) at such price as is determined in accordance with this Condition 4(c) and on such terms as the Realisation Agent determines in its sole and absolute discretion are available in the market at such time (consistent with the price obtained), less all costs and expenses, including without limitation any commissions, taxes, fees, duties or other charges applicable thereto. The Issuer will procure that, so long as any Note remains outstanding, there shall at all times be a Realisation Agent if provision is made for the same in the related Constituting Instrument and which unless specified otherwise in the Constituting Instrument shall be the Swap Counterparty. In connection with the foregoing, where an Obligor Option has been exercised and the Custodian receives a request from or on behalf of the obligor of the Obligor Option for the provision of settlement instructions for the delivery of securities (which may include equities) relating to such Obligor Option, upon notification of the same from the Custodian, the Issuer agrees to use all reasonable efforts to provide, or procure that there is provided, to the Custodian such details as may be reasonably required by such settlement instructions in order to receive delivery of such securities (which may include equities) in order to facilitate the delivery of such securities (which may include equities). Furthermore, the Issuer authorises the Custodian to appoint such sub-custodian(s) as the Custodian deems applicable for the purposes of receiving and holding such securities (which may include equities) on the terms for the appointment of sub-custodians provided in the Custody Agreement. Any such securities (which may include equities) shall constitute Charged Assets and shall be subject to any sale or liquidation by the Realisation Agent in accordance with this Condition 4(c).

If the Realisation Agent is unable or unwilling to act as such the Issuer will, with the prior written consent of the Trustee and the Swap Counterparty, appoint the London office of a leading international investment bank to act as such.

If the Realisation Agent has not been able to liquidate all or part of the Charged Assets within the Realisation Period it must sell them at its expiry, irrespective of the price obtainable and regardless if such price is close to or equal to zero. If, however, the Realisation Agent determines that there is no available market for the Charged Assets, or if the Realisation Agent otherwise determines that it is impossible to sell or otherwise realise the Charged Assets or any part thereof, the Realisation Agent will promptly notify the Issuer, the Trustee and the Swap Counterparty of such lack of availability or impossibility and the Realisation Agent shall not be required to effect the sale or other realisation of the Charged Assets or any part thereof. Any such determination by the Realisation Agent shall be in its sole discretion and shall be binding on the Issuer, the Trustee, the Swap Counterparty, the Noteholders and the other Secured Creditors. In the event that the Realisation Agent makes such determination the Trustee at its discretion may, and shall if so requested or directed in accordance with the first paragraph of this Condition 4(c) (but subject in each case to its being secured and/or indemnified and/or prefunded in accordance with such paragraph), realise all or part of the Charged Assets by other means.

In order to liquidate all or part of the Charged Assets within the Realisation Period, the Realisation Agent shall only be required to take reasonable care to ascertain a price that is available for the sale or other realisation of the Charged Assets at the time of the sale or other realisation for transactions of the kind and size concerned and the Realisation Agent shall not be required to delay the sale or other realisation for any reason including the possibility of achieving a higher price. The Realisation Agent shall sell at a price which it reasonably believes to be representative of the price available in the market for the sale of the Charged Assets in the appropriate size taking into account the length of the Realisation Period and the total amount of Charged Assets to be sold during that Realisation Period. In carrying out the sale or other realisation of the Charged Assets, the Realisation Agent may sell to its affiliates or to the Swap Counterparty provided that (i) the Realisation Agent shall sell at a price which it believes to be a fair market price or (ii), where the amount payable to the Noteholders varies according to the sale price obtained, the Trustee is satisfied that the sale price is a fair market price. A sale price shall be deemed to be a fair market price if the Realisation Agent certifies to the Trustee that two financial institutions, funds, dealers or other persons that deal in, or enter into transactions referencing, obligations of the same type as the Charged Assets, have either refused to buy the relevant securities in whole or offered to buy them at a price equal to or less than such sale price.

The Realisation Agent shall not be liable (i) to account for anything except the actual net proceeds of the Charged Assets received by it or (ii) for any costs, charges, losses, damages, liabilities or expenses arising from or connected with the sale or otherwise unless such costs, charges, losses, damages, liabilities or expenses shall have been caused by its own fraud or wilful default. Nor shall the Realisation Agent be liable to the Issuer, the Noteholders, the Trustee or any other person merely because a higher price could have been obtained had the sale or other realisation been delayed or to pay to the Issuer, the Noteholders, the Trustee or any other person interest on any proceeds from the sale or other realisation held by it at any time. The Realisation Agent may, notwithstanding that its interests and the interests of holders of the Notes may conflict, pursue such actions and take such steps as it deems necessary or appropriate in its sole and absolute discretion to protect its interests, without regard to whether such action or steps might have an adverse effect on the Notes, Charged Assets, or other obligations or interests of the issuers or obligors thereof or any holders of Notes.

The Trustee shall have no responsibility or liability for the performance by the Realisation Agent of its duties under this Condition 4(c) or for the price at which any of the Charged Assets may be sold or otherwise realised.

The net sums (if any) realised upon the security becoming enforceable pursuant to the Conditions (after meeting the expenses and remuneration of and any other amounts due to the Trustee or any receiver and the claims of any other person ranking ahead of the Swap Counterparty and the Noteholders in accordance with the order of payments described in Condition 4(d)) may be insufficient to pay all the amounts due to each Swap Counterparty (if any) and to the Noteholders. In such event, any shortfall shall, unless otherwise specified in the Constituting Instrument, be borne by the Noteholders and by each Swap Counterparty (if

any) and any other persons entitled to the benefit of the security pursuant to the Constituting Instrument in the inverse of the order of priority described in Condition 4(d) and as more particularly specified in the Constituting Instrument and/or any Additional Charging Instrument, if applicable.

(d) *Application*

After meeting the expenses and remuneration of and any other amounts due to the Trustee, including in respect of liabilities incurred, or to any receiver appointed pursuant to the relevant Trust Deed and/or, if applicable, any Additional Charging Instrument, in each case in respect of the Notes, and subject as provided in such Constituting Instrument and/or, if applicable, any Additional Charging Instrument, the net proceeds of the enforcement of the security constituted pursuant to the relevant Trust Deed and/or, if applicable, any Additional Charging Instrument will be applied as follows:

- (i) firstly, (a) in meeting the claims (if any) of the Custodian, the Principal Paying Agent and the Registrar in respect of any amounts payable by the Issuer in relation to the Notes under the Custody Agreement or the Agency Agreement respectively (including but not limited to any amounts of value added tax or other taxes due to any applicable revenue authorities); (b) in meeting the claims (if any) of the Custodian for reimbursement in respect of payment of any amount in respect of the Charged Assets made to the Issuer and/or the Principal Paying Agent on its behalf prior to receipt of the same by the Custodian; and (c) in meeting the claims (if any) of the Principal Paying Agent for reimbursement in respect of payment of principal and interest made to the Noteholders prior to receipt of the same by the Principal Paying Agent, each of the claims in (a), (b) and (c) above to rank *pari passu* and rateably;
- (ii) secondly, in meeting the claims (if any) of the Swap Counterparty under the Charged Agreement;
- (iii) thirdly, in meeting the claims (if any) of the Noteholders *pari passu* and rateably; and
- (iv) fourthly, in payment of the balance (if any) to the Issuer,

or any other basis of distribution provided for in the relevant Constituting Instrument.

(e) *Shortfall after application of proceeds*

If the net proceeds of the security constituted pursuant to the relevant Trust Deed and/or, if applicable, any Additional Charging Instrument for any Series of Notes, such security having been enforced under Condition 4(c), are not sufficient (after meeting the expenses and remuneration of and any other amounts due to the Trustee or any receiver and the claims of any other person ranking ahead of the Swap Counterparty and the Noteholders in accordance with the order of payments described in Condition 4(d)) to make all payments due in respect of the Notes and Receipts or Coupons (if any) and for the Issuer to meet its obligations (if any) in respect of the termination of each Charged Agreement (if any) or otherwise in respect of that Series, the other assets of the Issuer (including, without limitation, assets securing or otherwise attributable to any other Series of Notes) will not be available for payment of any shortfall arising therefrom or to meet any other claim of whatever nature howsoever arising. Any such shortfall will be borne, following enforcement of the security for the Notes, first by the Noteholders, then by any such Swap Counterparty and then by any other persons entitled to the benefit of the security ranking in priority thereto, in accordance with the order of priorities on enforcement specified in Condition 4(d), unless otherwise provided in the applicable Series Memorandum and the related Constituting Instrument and/or Additional Charging Instrument, if applicable. Claims (including without limitation after as well as before any court judgment or arbitral award) in respect of any such shortfall remaining after realisation of the security under Condition 4(c) and application of the proceeds in accordance with the relevant Trust Deed and Condition 4(d), and any other claims (including as aforesaid) of whatever nature howsoever arising, shall be extinguished and failure to make any payment in respect of any such shortfall or claim shall in no circumstances constitute an Event of Default under Condition 9 in respect of the Notes or in respect of any notes of any other Series.

None of the Trustee, any Noteholder or any Swap Counterparty or any other secured party, shall be entitled to petition or take any other step for the winding-up of the Issuer in relation to any shortfall in respect of any Series remaining after the realisation of the security under Condition 4(c) or otherwise on any other grounds in respect of any claim of whatever nature, nor shall any of them have any claim in respect of any sums due but still unpaid and/or which may become due and/or howsoever arising or on any account whatsoever over or in respect of any assets of the Issuer other than the Collateral for the Series to which the Notes relate, whether or not such assets are or purport to be security for any other Series.

Neither the Trustee nor the Custodian is under any obligation to maintain any insurance in respect of any part of the security constituted pursuant to the relevant Trust Deed, whether against loss of such security by theft or fire, in respect of fraud or forgery or against any other risk whatsoever.

(f) *Replacement Charged Assets*

Where "**Charged Assets Replacement**" is specified as applicable in the Constituting Instrument, the Swap Counterparty may, by delivery (which may be by e-mail transmission) to the Issuer (copied to the Trustee and the Custodian) of a Charged Assets replacement notice, substantially in the form set out in Schedule 4 to the Master Agency Terms (a "**Charged Assets Replacement Notice**"), require the Issuer to deliver or procure the delivery of, and the Custodian on behalf of the Issuer shall so deliver, any Charged Assets (the "**Replaced Charged Assets**") in return for which the Swap Counterparty will, in accordance with the provisions below, deliver or transfer to the Issuer Replacement Charged Assets in an aggregate principal amount equal to the aggregate principal amount of the Replaced Charged Assets on such effective date as may be specified in, and all in accordance with, such Charged Assets Replacement Notice (the "**Charged Assets Replacement**").

Where:

- (i) the Charged Assets are comprised wholly or partially of bonds issued by the Government of Japan ("**JGBs**"), the Swap Counterparty may in its sole discretion, from time to time, from and including the Issue Date to but excluding the day falling 5 Business Days prior to the Maturity Date of the Notes, replace such JGBs with an equivalent principal amount of Replacement Charged Assets which are comprised of convertible bonds ("**CBs**") (which may be Defaulting Assets (as defined in Condition 7)), and in addition, to the extent the proposed Replacement Charged Assets which comprise CBs are Defaulting Assets, the Swap Counterparty may, at its sole discretion, instead replace such JGBs with cash in an amount in the currency of denomination of such Defaulting Assets equal to the cash market value of such Defaulting Assets (as determined by the Determination Agent in its sole and absolute discretion); and
- (ii) the Charged Assets are comprised wholly or partially of CBs, the Swap Counterparty may, in its sole discretion, from time to time, from and including the Issue Date to but excluding 5 Business Days prior to the Maturity Date of the Notes, upon such CBs having become Defaulting Assets, replace such CBs with (i) cash in an amount in the currency of denomination of such CBs equal to the cash market value of such Defaulting Assets (as determined by the Determination Agent in its sole and absolute discretion); or (ii) such Replacement Charged Assets as may be specified in the Constituting Instrument (which may comprise CBs or JGBs) with an aggregate principal amount equal to the principal amount of the Replaced Charged Assets.

Any delivery or transfer of the Replaced Charged Assets by the Issuer (or the Custodian on behalf of the Issuer) or the Replacement Charged Assets or cash by the Swap Counterparty shall be made with full title guarantee, free and clear of all charges, liens and encumbrances (other than any Permitted Limitation on Title) and with the benefit of all rights and entitlements thereto and therein subsisting as at the date of the Charged Assets Replacement.

The Replacement Charged Assets or cash shall form part of the Charged Assets. Any Replaced Charged Assets so delivered or transferred by the Issuer shall be deemed automatically released from the Collateral and any Replacement Charged Assets or cash so delivered or transferred or

paid by the Swap Counterparty shall form part of the Collateral. Notwithstanding the release of the Replaced Charged Assets from the Collateral, such released Replaced Charged Assets shall be deemed to be "Charged Assets" for the purpose of Condition 7(b).

Any Charged Assets Replacement shall be subject to (a) compliance with all relevant laws, regulations and directives; (b) the terms and conditions of the Replaced Charged Assets and the Replacement Charged Assets; (c) the Swap Counterparty paying any costs and expenses (including, without limitation, any securities transaction tax or other tax or any stamp duty) payable by or on behalf of the Issuer in connection with such Charged Assets Replacement; and (d) delivery or transfer of the Replacement Charged Assets to the Issuer or of the Replacement Charged Assets by the Issuer to a third party not requiring or causing the Issuer to assume, and not subjecting the Issuer to, any obligation or liability (other than immaterial non-payment obligations or any assignment or transfer fee in respect of a loan).

(g) *Cash Collateral*

If it is so specified in the Constituting Instrument, in lieu of all or any part of the CBs, JGBs or any other bonds or securities specified in the Constituting Instrument to be the Charged Assets, the Charged Assets may, as of the Issue Date, instead comprise cash in the currency in which such CBs or JGBs or other bonds or securities (as the case may be) are denominated in an amount equal to the principal amount of such CBs or JGBs or other bonds or securities (as the case may be) ("**Cash Collateral**") and such cash shall be deposited in the Cash Account on the Issue Date of the relevant Series of Notes. Following the Issue Date, the Swap Counterparty may, in its sole discretion from time to time, deliver a notice in writing (which may be by e-mail transmission) to the Issuer (with a copy to the Trustee and the Custodian) (a "**Collateral Switch Notice**") to replace (a "**Collateral Switch**") all or any part of such Cash Collateral (the "**Switch-out Cash Collateral**") by delivery to the Issuer of a principal amount of CBs or JGBs or any such bonds or securities (the "**Switch-in Charged Assets**") equal to the amount of Switch-out Cash Collateral on such effective date as may be specified in, and all in accordance with, such Collateral Switch Notice, and the amount of Cash Collateral shall thereby decrease accordingly.

Any delivery or transfer of Switch-out Cash Collateral by the Issuer (or the Custodian on behalf of the Issuer) or Switch-in Charged Assets by the Swap Counterparty shall be made with full title guarantee, free and clear of all charges, liens and encumbrances (other than any Permitted Limitation on Title) and with the benefit of all rights and entitlements thereto and therein subsisting as at the date of the Collateral Switch.

The Switch-in Charged Assets shall form part of the Charged Assets. Any Switch-out Cash Collateral so transferred by the Issuer shall be deemed automatically released from the Collateral and any Switch-in Charged Assets so delivered by the Swap Counterparty shall form part of the Collateral.

Any Collateral Switch shall be subject to (a) compliance with all relevant laws, regulations and directives; (b) the terms and conditions of the Switch-in Charged Assets (in the case of delivery or transfer of Switch-in Charged Assets); (c) the Swap Counterparty paying any costs and expenses (including, without limitation, any securities transaction tax or other tax or any stamp duty) payable by or on behalf of the Issuer in connection with such Collateral Switch; and (d) delivery or transfer of the Switch-out Cash Collateral or the Switch-in Charged Assets to the Issuer or by the Issuer to a third party not requiring or causing the Issuer to assume, and not subjecting the Issuer to, any obligation or liability (other than immaterial non-payment obligations or any assignment or transfer fee in respect of a loan).

5. Restrictions

So long as any of the Notes remain outstanding (as defined in the Trust Deed), the Issuer has covenanted that it will not, without the prior written consent of the Trustee and each Swap Counterparty (if any):

- (A) engage in any activity or do anything whatsoever except:
 - (i) issue or enter into or create the Notes or other series of notes (each a "**Discrete Series**") or Alternative Investments (as defined below) and provided always that any such Discrete

Series or Alternative Investments are issued, entered into or created on terms that such Discrete Series or Alternative Investments is or are secured on or otherwise limited in recourse to specified assets of the Issuer (or the proceeds thereof or an amount equivalent thereto) which do not form part of the Collateral for the Notes or (unless expressly specified by the terms and conditions applicable to a Discrete Series or to any Alternative Investments) the assets securing, or to which recourse is otherwise limited in respect of, any other Discrete Series or any other Alternative Investments and on terms which provide for the extinguishment of all claims in respect of such Discrete Series or Alternative Investments after application of the proceeds of the specified assets on which such Discrete Series or Alternative Investments is or are secured or to which recourse is otherwise limited;

- (ii) enter into the Trust Deed, the Agency Agreement, any Custody Agreement and any Charged Agreement in relation to the Notes and all other deeds and agreements of any other kind related thereto, the Administration Agreement and the Series Proposal Agreement (the Administration Agreement and the Series Proposal Agreement together, the "**Additional Agreements**") and any trust deed, agency agreement, custody agreement and charged agreement relating to any Discrete Series or Alternative Investments and all other deeds or agreements of any other kind related thereto, but provided always that any such agreement or deed is entered into on terms that the obligations of the Issuer thereunder are secured on or otherwise limited in recourse to specified assets of the Issuer (other than the proceeds of its issued share capital, any transaction fees paid to it for agreeing to issue any Notes or enter into any Alternative Investments and any account in which such moneys are held) which do not form part of the Collateral for the Notes or (unless expressly specified by the terms and conditions applicable to a Discrete Series or to any Alternative Investments) the assets securing or to which recourse is otherwise limited in relation to, any other Discrete Series or any other Alternative Investments and on terms which provide for extinguishment of all claims in respect of such obligations after application of the proceeds of realisation of the specified assets on which such indebtedness or obligation is secured or to which recourse is otherwise limited or any agreements, deeds or documents in respect of the establishment and administration of the Japan Branch;
- (iii) acquire or hold, or enter into any agreement to acquire or hold or constitute, the Collateral in respect of the Notes, or the assets securing its obligations, or to which recourse is otherwise limited, under or in respect of the Notes or any Discrete Series or Alternative Investments;
- (iv) perform its obligations under the Notes, the Trust Deed, the Agency Agreement, any Custody Agreement, any Charged Agreement, the Additional Agreements and all the deeds or agreements incidental to the issue and constitution thereof or of the security therefor and under any Discrete Series or any Alternative Investments and the trust deed, agency agreement, custody agreement, charged agreement and all other deeds or agreements incidental to the issue or entering into and constitution of, or the granting of security for, Discrete Series or Alternative Investments and any agreements, deeds or documents in respect of the establishment and administration of the Japan Branch;
- (v) enforce any of its rights under the Notes, the Trust Deed, the Agency Agreement, any Custody Agreement, any Charged Agreement, the Additional Agreements or any other deed or agreement entered into in connection with the Notes, and under the trust deed, the agency agreement, any custody agreement, any charged agreement or any other deed or agreement entered into in connection with any Discrete Series or Alternative Investments and any agreements, deeds or documents in respect of the establishment and administration of the Japan Branch; or
- (vi) perform any act incidental to or necessary in connection with the Notes, the Trust Deed, the Agency Agreement, any Custody Agreement, any Charged Agreement, the Additional Agreements or any Discrete Series or Alternative Investments or any other deed or agreement entered into in connection with the Notes or any Discrete Series or Alternative Investments or in connection with any of the above or any agreements, deeds or documents in respect of the establishment and administration of the Japan Branch;

- (B) have any subsidiaries or employees;
- (C) subject to sub-paragraph (A) above and save as have been expressly permitted by the Trust Deed, dispose of any of its property or other assets or any part thereof or interest therein (subject as provided in the terms and conditions applicable to any Discrete Series or Alternative Investments);
- (D) declare or pay any dividends;
- (E) issue or create any Discrete Series or (if applicable) enter into any Alternative Investments, unless the trustee thereof is the same person as the Trustee for the Notes;
- (F) purchase, own, lease or otherwise acquire any real property;
- (G) consolidate or merge with any other person;
- (H) issue any further shares; or
- (I) issue or create any Series of Notes or Alternative Investments unless the trustee thereof is the same person as the Trustee for the Notes.

As used in these Conditions:

"Alternative Investments" means any agreement, instrument or other transaction issued or entered into by the Issuer pursuant to which the Issuer has an obligation for the payment or repayment of money and/or to deliver or redeliver securities which is specified in the relevant Constituting Instrument constituting the same to be an "Alternative Investment" of the Issuer.

6. Interest

Words and expressions used in this Condition are defined (unless defined elsewhere in these Conditions) in Condition 6 (I).

(a) *Interest Rate and Accrual*

Each Note (other than a Zero Coupon Note) bears interest on its Calculation Amount from and including the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Interest Rate, such interest being payable in arrears on each Interest Payment Date. Interest shall accrue from and including one Interest Payment Date (or, as the case may be, the Interest Commencement Date) to but excluding the next following Interest Payment Date.

Interest will cease to accrue on each Note on the due date for redemption unless, upon due presentation thereof, payment of principal is improperly withheld or refused, in which event interest will continue to accrue (as well after as before judgment) at the Interest Rate and in the manner provided in this Condition 6 until the Relevant Date (as defined in Condition 7(h)(3)).

(b) *Business Day Convention*

If any date referred to in these Conditions which is specified to be subject to adjustment in accordance with a business day convention would otherwise fall on a day which is not a Relevant Business Day, then, if the business day convention specified in the Constituting Instrument is (i) the Floating Rate Convention, such date shall be postponed to the next day which is a Relevant Business Day unless it would thereby fall into the next calendar month, in which event (aa) such date shall be brought forward to the immediately preceding Relevant Business Day and (bb) each subsequent such date shall be the last Relevant Business Day of the month in which such date would have fallen, (ii) the Following Business Day Convention, such date shall be postponed to the next day which is a Relevant Business Day, (iii) the Modified Following Business Day Convention, such date shall be postponed to the next day which is a Relevant Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Relevant Business Day or (iv) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Relevant Business Day.

(c) *Interest Rate on Floating Rate Notes*

If a Note is a Floating Rate Note, the Interest Rate will, subject as provided below, be determined by reference to a Benchmark as adjusted by adding thereto or subtracting therefrom the Spread (if any) or by multiplying such rate by the Spread Multiplier (if any).

The Interest Rate payable from time to time in respect of each Floating Rate Note will be determined by the Interest Calculation Agent on the basis of the following provisions:

- (1) At or about the Relevant Time on the relevant Interest Determination Date in respect of each Interest Period, the Interest Calculation Agent will:
 - (A) in the case of Floating Rate Notes where it is specified in the Constituting Instrument that the Primary Source for Interest Rate Quotations shall be derived from a specified page, section or other part of a particular information service (each as specified in the Constituting Instrument), determine the Interest Rate for such Interest Period which shall, subject as provided below, be:
 - (i) the Relevant Rate so appearing in or on that page, section or other part of such information service (where such Relevant Rate is a composite quotation or interest rate per annum or is customarily supplied by one entity), or
 - (ii) the arithmetic mean (rounded, if necessary, to the nearest one-hundred thousandth of a percentage point, 0.000005 being rounded upwards) of the Relevant Rates of the persons at that time whose Relevant Rates so appear in or on that page, section or other part of such information service,

in any such case in respect of Euro-currency deposits in the relevant currency for a period equal to the period in question more particularly referred to in the Benchmark and as adjusted by the Spread or Spread Multiplier (if any); and
 - (B) in the case of Floating Rate Notes where it is specified in the Constituting Instrument that the Primary Source of Interest Rate Quotations shall be the four or more Reference Banks specified in the Constituting Instrument and in the case of Floating Rate Notes falling within Condition 6(c)(1)(A) but in respect of which no Relevant Rates appear at or about such Relevant Time or, as the case may be, which are to be determined by reference to quotations of persons appearing in or on the relevant page, section or other part of such information service, but in respect of which less than two Relevant Rates appear at or about such Relevant Time, request the principal office in the Relevant Financial Centre of each of the Reference Banks (or, as the case may be, any substitute Reference Bank appointed from time to time pursuant to Condition 6(h)) to provide the Interest Calculation Agent with its Relevant Rate quoted to leading banks for Euro-currency deposits in the relevant currency for a period equivalent to the duration of such Interest Period. Where this Condition 6(c)(1)(B) shall apply, the Interest Rate for the relevant Interest Period shall, subject as provided below, be the arithmetic mean (rounded, if necessary, to the nearest one-hundred thousandth of a percentage point, 0.000005 being rounded upwards) of such Relevant Rates as calculated by the Interest Calculation Agent as adjusted by the Spread or Spread Multiplier (if any).
- (2) If at or about the Relevant Time on any Interest Determination Date where the Interest Rate falls to be determined pursuant to Condition 6(c)(1)(B) in respect of a Floating Rate Note, two or three only of such Reference Banks provide such relevant quotations, the Interest Rate for the relevant Interest Period shall, subject as provided below, be determined as aforesaid on the basis of the Relevant Rates quoted by such Reference Banks.
- (3) If at or about the Relevant Time on any Interest Determination Date where the Interest Rate falls to be determined pursuant to Condition 6(c)(1)(B) in respect of a Floating Rate Note, only one or none of such Reference Banks provide such Relevant Rates, the Interest Rate

for the relevant Interest Period shall be the rate per annum (expressed as a percentage) which the Interest Calculation Agent determines to be the arithmetic mean (rounded, if necessary, to the nearest one-hundred thousandth of a percentage point, 0.000005 being rounded upwards) of the Relevant Rates in respect of the relevant currency which banks in the Relevant Financial Centre of the country of such currency selected by the Interest Calculation Agent (after consultation with the Trustee) are quoting at or about the Relevant Time (in such Relevant Financial Centre) on the relevant Interest Determination Date for a period equivalent to such Interest Period to leading banks carrying on business in that Relevant Financial Centre, as adjusted by the Spread or Spread Multiplier (if any) except that, if the banks so selected by the Interest Calculation Agent are not quoting as aforesaid, the Interest Rate shall be the Interest Rate in effect for the last preceding Interest Period to which Condition 6(c)(1)(A) or 6(c)(1)(B) or 6(c)(2) (as the case may be) shall have applied,

provided always that the Interest Rate shall be subject to a minimum of zero.

(d) *Interest Rate on Zero Coupon Notes*

Where a Note the Interest Rate of which is specified to be Zero Coupon is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date (as defined in Condition 7(a)) shall be the "**Amortised Face Amount**" of such Note as determined in accordance with Condition 7(h)(3). As from the Maturity Date or other date for redemption, any overdue principal of such Note shall bear interest at a rate per annum (expressed as a percentage) equal to the "**Amortisation Yield**" specified in the Constituting Instrument (as well after as before judgment) to the Relevant Date (as defined in Condition 7(h)(3)).

(e) *Minimum/Maximum Rates*

If a Minimum Interest Rate is specified in the Constituting Instrument, then the Interest Rate shall in no event be less than it and if there is so specified a Maximum Interest Rate, then the Interest Rate shall in no event exceed it.

(f) *Determination of Interest Rate and calculation of Interest Amounts*

The Interest Calculation Agent will, as soon as practicable after the Relevant Time on each Interest Determination Date, determine the Interest Rate and calculate the Interest Amounts for the relevant Interest Period. The amount of interest payable in respect of any Note for any period shall be calculated by multiplying the product of the Interest Rate and the Calculation Amount of such Note by the Day Count Fraction specified in the Constituting Instrument, unless an Interest Amount is specified in respect of such period, in which case the amount of interest payable in respect of such Note for such period will equal such Interest Amount. The determination of the Interest Rate and the calculation of the Interest Amounts by the Interest Calculation Agent shall (in the absence of manifest error) be final and binding upon all parties.

(g) *Notification of Interest Rate and Interest Amounts*

The Interest Calculation Agent will cause the Interest Rate and the Interest Amounts for each Interest Period and the relevant Interest Payment Date to be notified to the Trustee, the Issuer, the Principal Paying Agent, or, in the case of Registered Notes, the Registrar, and each of the Paying Agents and, for as long as the Notes are Listed Notes (as defined below) and the rules of the relevant stock exchange or competent authority so require, any stock exchange or competent authority on or by which the Notes are listed or traded and to be notified to Noteholders in accordance with Condition 14 as soon as possible after their determination but in no event later than the fifth Relevant Business Day thereafter. The Interest Amounts and the Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable under Condition 9, the accrued interest and the Interest Rate in respect of the Notes shall nevertheless continue to be calculated and determined as previously in accordance with this Condition 6 but no publication of the Interest Rate or the Interest Amount so determined and calculated need be made.

As used in these Conditions, "**Listed Notes**" means Notes which are listed on any stock exchange.

(h) *Interest Calculation Agent and Reference Banks*

The Issuer will procure that, so long as any Note remains outstanding, there shall at all times be at least four Reference Banks with offices in the Relevant Financial Centre and an Interest Calculation Agent if provision is made for them in the Constituting Instrument. If any Reference Bank (acting through its relevant office) is unable or unwilling to continue to act as a Reference Bank then the Issuer will appoint another Reference Bank with an office in the Relevant Financial Centre to act as such in its place. If the Interest Calculation Agent is unable or unwilling to act as such, the Issuer will, with the prior written consent of the Trustee, appoint the London office of a leading bank engaged in the London interbank market to act as such in its place and its determination shall be final and binding on the parties. The Interest Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

(i) *Determination or calculation by Trustee*

If the Interest Calculation Agent does not at any time for any reason so determine the Interest Rate and calculate the Interest Amounts for an Interest Period (as provided in Condition 6(f)), the Trustee may (but shall not be obliged to) do so, provided that there are no regulatory implications in doing so and that the Trustee shall not perform such calculations in case of unavailability of the relevant benchmark. In doing so, the Trustee shall apply the provisions of Condition 6(f), with any necessary consequential amendments, to the extent that, in its sole opinion, it can do so, and, in all other respects it shall do so in such manner as it shall, in its absolute discretion, deem fair and reasonable in all the circumstances, and each such determination or calculation shall be deemed to have been made by the Interest Calculation Agent.

(j) *Administrator/Benchmark Event*

(1) On or after an Administrator/Benchmark Event Determination Date, (i) the Interest Calculation Agent shall, in its sole and absolute discretion, provide an Administrator/Benchmark Notification (the date of such Administrator/Benchmark Notification, the "**Administrator/Benchmark Notification Date**") and (ii) the Interest Calculation Agent may but is not obliged to undertake one or more of the following actions ("**Replacement Benchmark Remedial Actions**") and determine the effective date thereof (such date, the "**Replacement Benchmark Remedial Actions Effective Date**"):

- (A) select a Replacement Benchmark(s);
- (B) adjust or determine any spread (an "**Adjustment Spread**") to be applied to such Replacement Benchmark(s) and/or applied to the Relevant Benchmark in satisfaction of any Replacement Benchmark Remedial Action Criteria; and/or
- (C) make such other adjustments (the "**Replacement Benchmark Ancillary Amendments**") to the Conditions of the Notes of a Series, the Constituting Instrument, each Charged Agreement (if any) in respect of that Series and/or any other ancillary agreements in respect of that Series which the Interest Calculation Agent determines are necessary or appropriate in order to (a) account for the effect of the replacement of the Relevant Benchmark(s) with the Replacement Benchmark(s) (including, but not limited to, the business day, business day convention, day count fraction, spread, rates, interest periods, interest payment dates and/or any other factors used to determine any rate of interest) and/or (b) to preserve as closely as reasonably practicable the economic equivalence of (i) the Notes of a Series before and after the replacement of the Relevant Benchmark(s) with the Replacement Benchmark(s), and/or (ii) any transactions under each Charged Agreement (if any) in respect of that Series before and after the replacement of the Relevant Benchmark(s) with the Replacement Benchmark(s) and/or before and after the occurrence of a Bond Benchmark Disruption Event (as applicable),

save, in each case, that the Interest Calculation Agent will not undertake any such actions or make any such determinations if it determines that it is currently or will in future be unlawful under any applicable law, regulation or licensing requirement for the Issuer and/or

the Interest Calculation Agent on behalf of the Issuer to carry out Replacement Benchmark Remedial Actions (including the determination of any Replacement Benchmark).

(2) If on any date following the occurrence of an Administrator/Benchmark Event Determination Date but prior to (i) the occurrence of a Replacement Benchmark Remedial Actions Effective Date as determined by the Interest Calculation Agent in accordance with Condition 6(j)(1), and/or (ii) the occurrence of an Administrator/Benchmark Early Redemption Event:

(A) any amounts or calculations in respect of the Notes of a Series and/or each Charged Agreement (if any) in respect of that Series fall to be determined by reference to the Relevant Benchmark(s) then:

(i) the level of the Relevant Benchmark shall be determined pursuant to the terms that would apply to the determination of the Relevant Benchmark as if no Administrator/Benchmark Event had occurred; or

(ii) if the Interest Calculation Agent determines that it is impracticable, impossible, or it would be in breach of any legal, regulatory or licensing requirements to make any such determination in (i), such amount(s) or calculation(s) any such amount(s) or calculation(s) shall be determined instead by reference to the rate published for such Relevant Benchmark(s) on the last day on which the Interest Calculation Agent determines that it was practicable to use such rate,

provided that, if the Interest Calculation Agent determines in its sole and absolute discretion that a determination pursuant to items (i) or (ii) above is impracticable, impossible, or it would be in breach of any legal, regulatory or licensing requirements to make any such determination, then the Interest Calculation Agent shall be entitled to determine such amounts or calculations using its commercially reasonable determination of the level for such Relevant Benchmark and in reaching such determination it may consider inter alia the determinations and/or methodology then being used to determine the level for such Relevant Benchmark by leading market participants that are subject to the same relevant legal, regulatory and licensing requirements, in relation to the relevant OTC derivatives market; and

(B) notwithstanding the foregoing in sub-paragraph (A) above, where a Bond Benchmark Disruption Event has occurred or occurs, any payment that falls to be made during such period as determined by reference to any amount payable in respect of the relevant Charged Assets, shall reflect any amendments made to such Charged Assets that are in effect and are contemplated in the Bond Benchmark Disruption Event and the Interest Calculation Agent may in its sole and absolute discretion make adjustments to such other payment amounts or calculations that fall to be determined in respect of a Series of Notes in order to preserve as closely as reasonably practicable the economic equivalence of any transactions under each Charged Agreement (if any) in respect of that Series before and after the occurrence of a Bond Benchmark Disruption Event.

(3) Neither the Interest Calculation Agent or any other party shall be under any obligation to monitor whether or not an Administrator/Benchmark Event has occurred.

(4) The provisions of this Condition 6 (j) and the consequences thereof shall apply separately to each Relevant Benchmark.

(k) Consequences of Replacement Benchmark Remedial Actions

(1) If the Interest Calculation Agent elects to undertake one or more Replacement Benchmark Remedial Actions in respect of a Series of Notes, the Interest Calculation Agent shall deliver:

- (A) a notice to the Issuer (such notice, the "**Replacement Benchmark Notice**") (copied to the Agents, the Trustee and the Swap Counterparty (if any)) specifying the specific terms of any Replacement Benchmark Remedial Actions (including the Replacement Benchmark Remedial Actions Effective Date);
 - (B) a notification to the Trustee (such notice, a "**Replacement Benchmark Amendments Notice**") specifying the details of the Replacement Benchmark Remedial Action(s) and outlining that (as applicable) any Adjustment Spread(s) and/or Replacement Benchmark Ancillary Amendments are as determined by the Interest Calculation Agent to the best of its knowledge and belief as at the date of such Replacement Benchmark Amendments Notice (or such other date specified therein), (A) in the case of an Administrator/Benchmark Event Determination Date that does not relate to a Bond Benchmark Disruption Event, necessary or appropriate in order to account for the effect of the replacement of the Relevant Benchmark(s) with the Replacement Benchmark(s) (as may be adjusted by the Adjustment Spread(s)) and/or in satisfaction of any Replacement Benchmark Remedial Action Criteria; or (B) in the case of an Administrator/Benchmark Event Determination Date relating to a Bond Benchmark Disruption Event, that are necessary or appropriate in order to preserve, to the extent that the Interest Calculation Agent determines reasonably practicable, the economic position of the Swap Counterparty under the Charged Agreement (if any) in respect of such Series with respect to payment flows payable to the Swap Counterparty (if any) under the Charged Agreement in respect of such Series relating to the Charged Assets (which for these purposes shall be deemed to be comprised of Charged Assets with an aggregate notional amount equal to the initial reference amount of such Charged Assets in respect of such Series) as at the Trade Date and/or to mitigate the effect on such payment flows (and the related amounts payable under the Charged Assets) as a result of any matters arising under the Bond Benchmark Disruption Event.
 - (C) The Trustee shall accept as sufficient evidence of any fact or matter, without further enquiry and without liability to any person for so doing, a Replacement Benchmark Amendments Notice and shall be entitled to rely absolutely on such Replacement Benchmark Amendments Notice without any investigation or enquiry and shall have no liability or responsibility (including, without limitation, for any loss that may be suffered as a result of the implementation of any such Replacement Benchmark Remedial Actions) for so doing.
- (2) If the Issuer receives a Replacement Benchmark Notice from the Interest Calculation Agent no later than two calendar days before the Benchmark Adjustment Long Stop Date and the related Replacement Benchmark Amendments Notice is delivered to the Trustee by no later than the same date, the terms and conditions of the Notes of a Series, the terms of the Charged Agreement (if any) in respect of such Series, the terms of the Constituting Instrument in respect of such Series, and the terms of any other Series Document identified in the Replacement Benchmark Notice as being subject to the Replacement Benchmark Remedial Actions shall automatically be deemed amended to give effect to the Replacement Benchmark Remedial Actions as applicable to the terms and conditions of the Notes in respect of such Series and/or relevant Series Documents (and the same shall be construed in accordance with the applicable Replacement Benchmark Remedial Actions) with effect from the Replacement Benchmark Remedial Actions Effective Date (and the Issuer and each other party to each such Series Document has agreed therein to the same and to take such actions, at the cost of the Issuer, as may be required to give effect to the same), without (save where identified as necessary by the Interest Calculation Agent) any

further action being required by any party and without any consent of the Trustee or Noteholders being required in connection therewith.

- (3) In connection with Condition 6(k)(2) above and in respect of a Series of Notes, references to (i) the Relevant Benchmark(s) in terms of the Notes, Charged Agreement, Constituting Instrument and any other Series Documents (as applicable) will be replaced by references to the Replacement Benchmark(s) as may be adjusted by the Adjustment Spread(s) (provided that the Replacement Benchmark(s), after application of any Adjustment Spread(s), may not be less than zero) and (ii) the terms and conditions of the Notes of a Series, Charged Agreement in respect of such Series (if any) and any other Series Documents shall be construed as reflecting any Replacement Benchmark Ancillary Amendments.
- (4) The Issuer shall as soon as reasonably practicable following the Replacement Benchmark Remedial Actions Effective Date deliver, or procure the delivery of (including, without limitation, by way of a third party acting on its behalf), a notice containing the details of the Replacement Benchmark Remedial Actions to the Noteholders in accordance with Condition 14.
- (5) From the Replacement Benchmark Remedial Actions Effective Date in respect of a Series of Notes, the Replacement Benchmark Remedial Actions specified in the related Replacement Benchmark Notice will be binding on the Issuer, the Swap Counterparty (if any), the Agents, the Trustee and the Noteholders, and, for the avoidance of doubt, there is no requirement to seek or obtain any consent from Noteholders or from the Trustee in relation to such Replacement Benchmark Remedial Actions.
- (6) None of the Trustee, the Issuer, any Agent, the Arranger, the Dealer or the Swap Counterparty (if any) shall have any liability or responsibility for any loss suffered or incurred by any Noteholder as a result of (i) the implementation of any Replacement Benchmark Remedial Actions, (ii) the occurrence of an Administrator/Benchmark Early Redemption Event, and/or (iii) any other consequence or effect on a Series of Notes (including with respect to their value and/or return) arising as a result of items (i) and/or (ii) above.

(j) *Definitions*

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meaning set out below:

“Administrator/Benchmark Event” means the determination by the Interest Calculation Agent (acting in good faith and in a commercially reasonable manner), that any of the following events in respect of a Relevant Benchmark referenced in the Notes of a Series, the Charged Agreement (if any) or, in relation to a Bond Benchmark Disruption Event, the Charged Assets (save that the definition of Charged Assets for these purposes shall exclude the Charged Agreement (if any), any Eligible Credit Support and/or Equivalent Credit Support (each as defined in the Charged Agreement (if any))), has occurred at any time on or prior to such date of determination (with the Interest Calculation Agent being under no obligation to make such determination within any particular period following the occurrence of any such event) (such date of determination, the **“Administrator/Benchmark Event Determination Date”**):

- (i) Non-Approval Event;
- (ii) Rejection Event;
- (iii) Suspension/Withdrawal Event;
- (iv) Benchmark Cessation Event;

- (v) Benchmark Pre-Cessation Event; and/or
- (vi) Bond Benchmark Disruption Event.

“Administrator/Benchmark Notification” means a notice from or on behalf of the Interest Calculation Agent to the Issuer (copying the Trustee, the Swap Counterparty (if any) and the Agents) specifying, amongst other things, (i) the details of the underlying Administrator/Benchmark Event, (ii) the Benchmark Adjustment Long Stop Date, and (iii) that the Notes of a Series will automatically redeem in accordance with Condition 7 following the expiry of the Benchmark Adjustment Long Stop Date if the Interest Calculation Agent has not undertaken one or more Replacement Benchmark Remedial Actions in accordance with Condition 6(j).

“Benchmark” means LIBOR, LIBID, LIMEAN, EURIBOR or such other benchmark as may be specified as the Benchmark in the Constituting Instrument.

“Benchmark Cessation Event” means the occurrence of any of the following:

- (i) a public statement or publication of information by or on behalf of the administrator of the Relevant Benchmark(s) announcing that it has ceased or will cease to provide the Relevant Benchmark(s) permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the Relevant Benchmark(s); or
- (ii) a public statement or publication of information by the regulatory supervisor for the administrator of the Relevant Benchmark(s), the central bank for the currency of the Relevant Benchmark(s), an insolvency official with jurisdiction over the administrator for the Relevant Benchmark(s), a resolution authority with jurisdiction over the administrator for the Relevant Benchmark(s) or a court or an entity with similar insolvency or resolution authority over the administrator for the Relevant Benchmark(s), which states that the administrator of the Relevant Benchmark(s) has ceased or will cease to provide the Relevant Benchmark(s) permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the Relevant Benchmark(s); or
- (iii) any event which otherwise constitutes an “index cessation event” (regardless of how it is actually defined or described in the definition of the Relevant Benchmark(s)) in relation to which, the definition or description of the Relevant Benchmark(s) includes a reference to a concept defined or otherwise described as an “index cessation event” (regardless of the contents of that definition or description); or
- (iv) a Relevant Benchmark(s) is the subject of any market-wide development in relation to OTC derivatives (including by way of any action taken or announcement made by any regulatory or industry body) pursuant to which such Relevant Benchmark(s) is, or shall be, replaced with an alternative rate to comply with the recommendations from the Financial Stability Board, including but limited to in their paper titled "Reforming Major Interest Rate Benchmarks" dated 22 July 2014.

“Benchmark Pre-Cessation Event” means a public statement or publication of information by the regulatory supervisor for the administrator of the Relevant Benchmark(s) announcing that the Relevant Benchmark(s) is no longer representative.

“Benchmark Regulation” means Regulation (EU) 2016/1011 of the European Parliament and the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending directives 2008/48/EC and 2014/17/EU and Regulation (EU) 596/2014 (as may be amended from time to time), including any subsidiary legislation or rules and regulations and associated guidance.

“Bond Benchmark Disruption Event” means, in respect of the Charged Assets (save that the definition of Charged Assets for these purposes shall exclude the Charged Agreement (if any), any Eligible Credit Support and/or Equivalent Credit Support (each as defined in the Charged Agreement (if any))), whether in accordance with the terms of such Charged Assets or otherwise:

- (i) any events that reference concepts defined in the terms of such Charged Assets or otherwise described as an "index cessation event", an "administrator and/or benchmark event" (in each case regardless of the contents of that definition or description); and/or
- (ii) any events that were analogous or substantially similar to a Non-Approval Event, Rejection Event, Suspension/Withdrawal Event, Benchmark Cessation Event and/or Benchmark Pre-Cessation Event,

the occurrence of which directly or indirectly results in or may result in (a) amendments being made and/or proposed to be made to the terms of the Charged Assets that impact, or may impact, the determination of any amounts payable in respect of such Charged Assets (including, but not limited to, the business day, business day convention, day count fraction, spread, rates, interest periods, interest payment dates and/or any other factors used to determine any rate of interest or payment of any amount in respect of such Charged Assets) and/or (b) the Relevant Benchmark in respect of such Charged Assets has been or may be adjusted, amended or replaced.

"Calculation Amount" means the amount specified as such in the Constituting Instrument, or if no such amount is so specified, the principal amount of any Note as shown on the face thereof.

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

- (i) if **"Actual/365"** or **"Actual/Actual"** is specified, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (a) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (b) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (ii) if **"Actual/Actual ICMA"** is specified:
 - (a) if the Calculation Period is equal to or shorter than the Interest Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Interest Period and (y) the number of Interest Periods normally ending in any year; and
 - (b) if the Calculation Period is longer than one Interest Period, the sum of:
 - (i) the number of days in such Calculation Period falling in the Interest Period in which it begins divided by the product of (1) the number of days in such Interest Period and (2) the number of Interest Periods normally ending in any year; and
 - (ii) the number of days in such Calculation Period falling in the next Interest Period divided by the product of (1) the number of days in such Interest Period and (2) the number of Interest Periods normally ending in any year;
- (iii) if **"Actual/365(Fixed)"** is specified, the actual number of days in the Calculation Period divided by 365;
- (iv) if **"Actual/360"** is specified, the actual number of days in the Calculation Period divided by 360;

- (v) if "**30/360**", "**360/360**" or "**Bond Basis**" is specified, the number of days in the Calculation Period divided by 360 calculated on a formula basis as follows:

$$\frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

Day Count Fraction =

where:

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

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

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

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

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

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

- (vi) if "**30E/360**" or "**Eurobond Basis**" is specified, the number of days in the Calculation Period divided by 360 calculated on a formula basis as follows:

$$\frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

Day Count Fraction =

where:

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

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

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

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

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

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

"Interest Amount" means the amount of interest payable in respect of each Authorised Denomination for the relevant Interest Period.

"Interest Commencement Date" means the Issue Date or such other date as may be specified as the Interest Commencement Date in the Constituting Instrument.

"Interest Determination Date" means, in respect of any Interest Period, the date specified as the Interest Determination Date in the Constituting Instrument, or, if none is so specified, the day falling two Relevant Business Days prior to the commencement thereof.

"Interest Payment Date" means the date or dates specified as the date(s) for the payment of interest in the Constituting Instrument and on the face of any definitive Note.

"Interest Period" means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date.

"Interest Rate" means the rate of interest payable from time to time in respect of a Note (subject to Condition 6(e)) and which is either specified in, or calculated in accordance with the provisions of, the Constituting Instrument.

"Issue Date" means, in the case of the issue of a Note or Notes of a Series, the date of issue of such Note or Notes as specified in the Constituting Instrument.

"LIBID" means the London interbank bid rate.

"LIBOR" means the London interbank offered rate.

"LIMEAN" means the London interbank mean rate.

"Non-Approval Event" means the occurrence of any of the following events:

- (i) any authorisation, registration, recognition, endorsement, equivalence decision or approval in respect of the Relevant Benchmark(s) or the administrator or sponsor of the Relevant Benchmark(s) is not obtained;
- (ii) the Relevant Benchmark(s) or the administrator or sponsor of the Relevant Benchmark(s) is not included in an official register; or
- (iii) the Relevant Benchmark(s) or the administrator or sponsor of the Relevant Benchmark(s) does not fulfil any other legal or regulatory requirements applicable to the Relevant Benchmark(s),

in each case, if required in order for either the Issuer, the Swap Counterparty (if any), the Determination Agent, the Interest Calculation Agent or the Calculation Agent under the Charged Agreement (if any) to perform its or their respective obligations in respect of the Series of Notes or the Charged Agreement (if any) (as the case may be) in compliance with the Benchmark Regulation and/or UK BMR. For the avoidance of doubt, a Non-Approval Event shall not occur if the Relevant Benchmark(s) or the administrator or sponsor of the Relevant Benchmark(s) is not included in an official register because its authorisation, registration, recognition, endorsement, equivalence decision or approval is suspended if, at the time of such suspension, the continued provision and use of the Relevant Benchmark(s) is permitted in respect of the Series of Notes or the Charged Agreement (if any) (as the case may be) under the Benchmark Regulation and/or UK BMR during the period of such suspension.

"Pre-Nominated Replacement Benchmark" means any index, benchmark or other price source specified as a "Pre-Nominated Replacement Benchmark" in the applicable Constituting Instrument in respect of a benchmark.

"Redemption Amount" means, in relation to any Note, as the context may require, the Scheduled Redemption Amount, Early Redemption Amount, Noteholder Optional Redemption Amount or Issuer Optional Redemption Amount.

"Reference Banks" means the institutions specified as Reference Banks in the Constituting Instrument.

"Rejection Event" means the relevant competent authority or other relevant official body rejects or refuses any application for authorisation, registration, recognition, endorsement, an equivalence decision, approval or inclusion in any official register which, in each case, is required in relation to the Relevant Benchmark(s) or the administrator or sponsor of the Relevant Benchmark(s) for the Issuer, the Swap Counterparty (if any), the Determination Agent, the Interest Calculation Agent and/or Calculation Agent under the Charged Agreement (if any) to perform its or their respective obligations in respect of a Series of Notes or the Charged Agreement in respect of such Series (if any) (as the case may be) in compliance with the Benchmark Regulation and/or UK BMR.

"Relevant Benchmark" means any index, benchmark or price source by reference to which any amount payable under the Notes of a Series, the Charged Agreement in respect of such Series (if any) or in relation to a Bond Benchmark Disruption Event the Charged Assets are determined, save that the definition of Charged Assets for these purposes shall exclude the Charged Agreement (if any), any Eligible Credit Support and/or Equivalent Credit Support (each as defined in the Charged Agreement (if any)).

"Relevant Business Day" means a day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in the Relevant Financial Centre and (in the case of Notes denominated in Euro) a day on which the Trans-European-Automated Real-time Gross settlement Express Transfer payment system which utilises a single shared platform and was launched on 19 November 2007 or its successor in business (the **"TARGET2 System"**) is open.

"Relevant Financial Centre" means London (if the relevant Benchmark is LIBOR, LIMEAN or LIBID) or Brussels (if the relevant Benchmark is EURIBOR) or (in the case of Notes, the Interest Rate in respect of which is to be calculated by reference to some other Benchmark) the financial centre specified in the Constituting Instrument, or, if no such centre is so specified, the financial centre determined by the Interest Calculation Agent to be appropriate to such Benchmark.

"Relevant Nominating Body" means in respect of a Relevant Benchmark (i) the central bank for the currency in which the Relevant Benchmark is denominated or any central bank or other supervisor which is responsible for supervising either the Relevant Benchmark or the administrator of the Relevant Benchmark, or (ii) any working group or committee officially endorsed or convened by (a) the central bank for the currency in which the Relevant Benchmark is denominated, (b) any central bank or other supervisor which is responsible for supervising either the Relevant Benchmark or the administrator of the Relevant Benchmark, (c) a group of those central banks or other supervisors, or (d) the Financial Stability Board or any part thereof.

"Relevant Rate" means:

- (1) an offered rate in the case of a Note the Benchmark for which relates to an offered rate;
- (2) a bid rate in the case of a Note the Benchmark for which relates to a bid rate; and
- (3) the mean of an offered and bid rate in the case of a Note the Benchmark for which relates to the mean of an offered and bid rate.

"Relevant Time" means the local time in the Relevant Financial Centre at which the Interest Calculation Agent determines that it is customary to determine bid and offered rates in respect of Euro-currency deposits in the currency in question in the interbank market in that Relevant Financial Centre.

"Replacement Benchmark" means, in respect of a Relevant Benchmark(s),

- (1) a Pre-Nominated Replacement Benchmark(s) (if any); or
- (2) if there is no Pre-Nominated Replacement Benchmark(s) (or if the Interest Calculation Agent determines an Administrator/Benchmark Event has or would occur in relation to any Pre-Nominated Replacement Benchmark(s) if it has been or otherwise would be selected as the Replacement Benchmark(s)) an index, benchmark or other price source that the Interest Calculation Agent determines is:
 - (a) a commercially reasonable alternative for such Relevant Benchmark; or
 - (b) recognised or acknowledged (including without limitation in any document published or commissioned by ISDA or any announcement thereby) as being an industry standard replacement for the Relevant Benchmark for over-the-counter derivatives transactions (which may include without limitation, an index, benchmark or other price source formally designated, nominated or recommended by (x) a Relevant Nominating Body to replace the Relevant Benchmark, or (y) the administrator or sponsor of the Relevant Benchmark(s) (provided that such index, benchmark, rate or other price source is substantially the same as the Relevant Benchmark(s)), in each case, to replace the Relevant Benchmark).

"Replacement Benchmark Remedial Action Criteria" means any adjustment or determination to be applied to Replacement Benchmark(s) and/or applied to Relevant Benchmark(s), and/or any Replacement Benchmark Ancillary Amendment(s), in each case, to (a) reduce or eliminate, to the extent reasonably practicable, any transfer of economic value resulting from, or arising out of, the selection of a Replacement Benchmark(s) from (i) the Issuer to the Noteholders or (ii) the Noteholders to the Issuer, and/or (b) where a Series of Notes incorporates a Charged Agreement, to reduce or eliminate, to the extent reasonably practicable, any transfer of economic value resulting from, or arising out of, the selection of a Replacement Benchmark(s), from (i) the Issuer to the Swap Counterparty or (ii) the Swap Counterparty to the Issuer, and/or (c) where a Series of Notes incorporates a Charged Agreement, reflect any losses, expenses and costs that have been or may be incurred by the Swap Counterparty which have resulted from or arise out of the occurrence of an Administrator/Benchmark Event and/or the selection of a Replacement Benchmark(s), including without limitation, from entering into, maintaining, amending and/or unwinding any transactions to hedge the Swap Counterparty's obligations under the Charged Agreement.

"Spread" means the percentage rate per annum specified in the Constituting Instrument as being applicable to a Note.

"Spread Multiplier" means the percentage specified in the Constituting Instrument as being applicable to the interest rate for a Note.

"Suspension/Withdrawal Event" means the occurrence of any of the following events:

- (1) the relevant competent authority or other relevant official body suspends or withdraws any authorisation, registration, recognition, endorsement, equivalence decision or approval in relation to the Relevant Benchmark(s) or the administrator or sponsor of the Relevant Benchmark(s) which is required in order for the Issuer, the Swap Counterparty (if any), the Determination Agent, the Interest Calculation Agent or the Calculation Agent under the Charged Agreement (if any) to perform its or their respective obligations in respect of the Notes of a Series or the Charged Agreement (if any) (as the case may be) in compliance with the Benchmark Regulation and/or UK BMR; or
- (2) the Relevant Benchmark(s) or the administrator or sponsor of the Relevant Benchmark(s) is

removed from any official register where inclusion in such register is required in order for the Issuer, the Swap Counterparty (if any), the Determination Agent, Interest Calculation Agent or the Calculation Agent under the Charged Agreement (if any) to perform its or their respective obligations in respect of the Notes or the Charged Agreement (if any) (as the case may be) in compliance with the Benchmark Regulation and/or UK BMR,

and for the avoidance of doubt, a Suspension/Withdrawal Event shall not occur if such authorisation, registration, recognition, endorsement, equivalence decision or approval is suspended or where inclusion in any official register is withdrawn if, at the time of such suspension or withdrawal, the continued provision and use of the Relevant Benchmark(s) is permitted in respect of the Notes of a Series, the Charged Agreement (if any) or the Charged Assets (save that the definition of Charged Assets for these purposes shall exclude the Charged Agreement (if any), any Eligible Credit Support and/or Equivalent Credit Support (each as defined in the Charged Agreement (if any))) under the Benchmark Regulation and/or UK BMR during the period of such suspension or withdrawal.

“**UK BMR**” means the Benchmark Regulation as it forms part of domestic law by virtue of the EUWA.

7. Redemption, Purchase and Exchange

(a) *Final redemption*

Unless previously redeemed or purchased and cancelled as provided below, each Note (other than an Interest Only Note) will be redeemed at its Scheduled Redemption Amount (as defined in Condition 7(i)(1)) on the date specified as the Maturity Date in the Constituting Instrument (the "**Maturity Date**"). Unless otherwise stated in the Constituting Instrument, no Scheduled Redemption Amount will be payable on an Interest Only Note.

(b) *Early redemption*

If :

- (1) (i) any of the Charged Assets become, or are capable of becoming, due and payable in full in accordance with their terms prior to the scheduled redemption date thereof by reason of a default; or
- (ii) the obligor with respect to the Charged Assets exercises its option to redeem or purchase by cash and/or equity the Charged Assets prior to the scheduled redemption date,

(each, a "**Mandatory Redemption Event**").

If a Mandatory Redemption Event occurs in respect of any Charged Assets, then such Charged Assets shall be "**Defaulting Assets**". The Charged Assets referred to in this Condition 7(b)(1) shall, for the avoidance of doubt, include any Charged Assets, Replaced Charged Assets (as such term is defined in Condition 4(f)) (if any) and any Reference Assets.

- (2) any of the events or circumstances described in this Condition 7(b)(2), Condition 7(b)(3) or Condition 7(b)(4) are specified as applicable in the Constituting Instrument, and:
 - (i) an obligor in respect of the Charged Assets (a) is dissolved (other than pursuant to a consolidation, amalgamation or merger); (b) becomes insolvent or is unable to pay its debts or fails or admits in writing in a judicial, regulatory or administrative proceeding or filing its inability generally to pay its debts as they become due; (c) makes a general assignment, arrangement or composition with or for the benefit of its creditors; (d) institutes or has instituted against it a proceeding seeking a

judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding up or liquidation, and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition (i) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding up or liquidation or (ii) is not dismissed, discharged, stayed or restrained in each case within thirty calendar days of the institution or presentation thereof; (e) has a resolution passed for its winding up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger); (f) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets; (g) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within thirty calendar days thereafter; or (h) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in clauses (a) to (g) (inclusive);

- (ii) the Custodian is not reimbursed in respect of payments properly made to any party of sums receivable in respect of the Charged Assets or if the Principal Paying Agent or the Registrar, as the case may be, is not reimbursed in respect of payments of principal and interest properly made to holders of Notes, Coupons and Receipts, in each case within 14 days after the Issuer is notified of such claim for reimbursement;
- (iii) on any date (i) an obligor in respect of the Charged Assets or a related Governmental Authority (as defined below) (a) disaffirms, disclaims, repudiates or rejects, in whole or in part, or challenges the validity of any of the Charged Assets, or (b) declares or imposes a moratorium, standstill, roll-over or deferral, whether *de facto* or *de jure*, with respect to any of the Charged Assets, and (ii) a Non Payment (as defined below) with respect to any such Charged Assets has occurred at or prior to such date; or
- (iv) in the sole discretion of the Determination Agent, with respect to any one or more of the Charged Assets, it is agreed between an obligor in respect of the Charged Assets or a Governmental Authority and the holder or holders of such Charged Assets, or is announced (or otherwise decreed) by an obligor in respect of the Charged Assets or a Governmental Authority in a form that is binding upon all holders of such Charged Assets, and such event is not provided under the terms of such Charged Assets in effect as of the later of the Issue Date and the date as of which such Charged Assets are issued as follows:
 - (A) a reduction in the rate or amount of interest payable, or the amount of scheduled interest accruals, in respect of such Charged Assets;
 - (B) a reduction in the amount of principal or premium payable at maturity or at scheduled redemption dates in respect of such Charged Assets;
 - (C) a postponement or other deferral of a date or dates for either (i) the payment or accrual of interest or (ii) the payment of principal or premium in each case in respect of such Charged Assets;
 - (D) a change in the ranking in priority of payment of such Charged Assets causing the subordination of such Charged Assets; or
 - (E) any change in the currency or composition of any payment of interest or principal in respect of such Charged Assets,

provided that none of the following shall constitute an event for the purposes of Condition 7(b)(2)(iv):

- (x) the payment in Euro of interest or principal in relation to any such Charged Assets denominated in a currency of a Member State of the European Union that adopts or has adopted the single currency in accordance with the Treaty establishing the European Community, as amended by the Treaty on the European Union;
 - (y) the occurrence of, agreement to or announcement of any of the events described in sub-paragraphs (iv)(A) to (E) above due to an administrative adjustment, accounting adjustment or tax adjustment occurring in the ordinary course of business; and
 - (z) the occurrence of, agreement to or announcement of any of the events described in sub-paragraphs (iv)(A) to (E) above in circumstances where such event does not directly or indirectly result from a deterioration in the creditworthiness or financial condition of an obligor in respect of the Charged Assets; or
- (3) the Charged Assets comprise any agreement of the type contemplated in the definition herein of Charged Agreement and such agreement is terminated by any party thereto, in each case whether or not by reason of an event of default (howsoever described) thereunder or there is a payment default in respect of such agreement without regard to any grace period or any conditions precedent to the commencement of any grace period applicable to such agreement; or
- (4) any other event as may be specified as an "**Additional Early Redemption Event**" in the Constituting Instrument has occurred,

then the Swap Counterparty may upon becoming aware of any such event or circumstance (as applicable) give notice thereof to the Issuer and the Trustee and the Notes shall become due and repayable at their Early Redemption Amount as provided by Condition 7(i). The Issuer shall give notice to the Noteholders in accordance with Condition 14 and to the Swap Counterparty that the Notes will become due and repayable in accordance with Condition 7(i) as soon as reasonably practicable after the Issuer receives notice from the Swap Counterparty of the occurrence of the relevant event or circumstance. Such notice shall specify the Early Redemption Date (as defined in Condition 7(i)(2)). Any failure or delay by the Swap Counterparty to serve the notice referred to above shall not constitute a waiver of the Swap Counterparty's right to serve such a notice in respect of the relevant event or circumstance or in respect of any other event or circumstance.

The events or circumstances set out in Conditions 7(b)(2)(i), (ii), (iii), 7(b)(3) and 7(b)(4) are collectively referred to as "**Other Early Redemption Events**" and each an "**Other Early Redemption Event**". The event or circumstance set out in Condition 7(b)(2)(iv) is referred to as "**Early Redemption Following Restructuring**".

For the purposes of this Condition 7(b):

"**Governmental Authority**" means any de facto or de jure government (or any agency, instrumentality, ministry or department thereof), court, tribunal, administrative or other governmental authority, any other entity (private or public) charged with the regulation of the financial markets (including the central bank) of an obligor in respect of the Charged Assets or of the jurisdiction of organisation of such obligor.

"**Non Payment**" means, after the expiration of any applicable grace period (and after the satisfaction of any conditions precedent to the commencement of such grace period), the failure by an obligor in respect of the Charged Assets to make, when and where due, any payments in an aggregate amount of the amount required under one or more Charged Assets in accordance with the terms of such Charged Assets at the time of such failure.

"Reference Assets" means, any bonds or securities (which may include, without limitation, convertible bonds or JGBs) specified in the Constituting Instrument of the relevant Series of Notes, which may or may not comprise all or part of the Charged Assets, and may be Defaulting Assets.

(c) *Charged Assets Coupon Deferral Event*

If a Charged Assets Coupon Deferral Event (as defined below) is specified as applicable in the Constituting Instrument, and a Charged Assets Coupon Deferral Event occurs, then the Swap Counterparty may upon becoming aware of any such event or circumstance give notice thereof to the Issuer and the Trustee and the Notes shall become due and repayable at their Early Redemption Amount as provided by Condition 7(i). The Issuer shall give notice to the Noteholders in accordance with Condition 14 and to the Swap Counterparty that the Notes will become due and repayable at their Early Redemption Amount in accordance with Condition 7(i) as soon as reasonably practicable after the Issuer receives notice from the Swap Counterparty of the occurrence of the relevant event or circumstance. Such notice shall specify the Early Redemption Date (as defined in Condition 7(i)(2)). Any failure or delay by the Swap Counterparty to serve the notice referred to above shall not constitute a waiver of the Swap Counterparty's right to serve such a notice in respect of the relevant event or circumstance or in respect of any other event or circumstance.

For the purposes of these Conditions, **"Charged Assets Coupon Deferral Event"** means the deferral of a scheduled interest or coupon payment by an obligor in respect of the Charged Assets in accordance with the terms and conditions of the Charged Assets.

(d) *Tax Event*

(1) Subject to paragraph (2) of this Condition 7(d) (*Tax Event*) and provided that the Issuer has not given notice of an Early Redemption Date and no Early Redemption Date and no Non-Call Redemption has occurred pursuant to any other Condition, the Issuer shall, as soon as is reasonably practicable and in any event not less than 15 nor more than 30 calendar days prior to the next Interest Payment Date after becoming aware (whether by notice thereof from the Interest Calculation Agent or otherwise) of the occurrence of a Note Tax Event and/or an Initial Charged Assets Tax Event, give notice of such Note Tax Event and/or Initial Charged Assets Tax Event (as the case may be) to the Trustee, the Noteholders and the Swap Counterparty and, upon the giving of such notice, all but not some only of the Notes shall become due for redemption on the date specified in such notice at their outstanding Early Redemption Amount.

A **"Note Tax Event"** will occur if:

- (A) either the Issuer or the Interest Calculation Agent determines that on the due date for any payment in respect of the Notes, the Issuer will be required (i) by any applicable law and/or (ii) as a result of any change in, or proposed change in, or amendment to, or proposed amendment to, the accounting standards, practices or guidelines applicable in the jurisdiction of incorporation of the Issuer or pursuant to which the Issuer prepares its financial statements (if any) ("**Applicable Accounting Standards**") or applicable tax law, practices or guidelines applicable in the jurisdiction of incorporation of the Issuer ("**Applicable Tax Laws**") or any change in, or proposed change in the application of, the official or generally published interpretation of the Applicable Accounting Standards or Applicable Tax Laws, to withhold, deduct or account for an amount for any present or future taxes, duties or charges of whatsoever nature (other than a withholding or deduction in respect of FATCA (as defined in Condition 8(d))) or would suffer the same in respect of its income so that it would be unable to make in full the payment in respect of the Notes in respect of such due date; and/or
- (B) on the due date for any payment in respect of the Notes, such a withholding, deduction or account is actually made in respect of any payment in respect of the Notes other than where such event constitutes an Initial Charged Assets Tax Event.

An "**Initial Charged Assets Tax Event**" will occur if the Issuer, in its or the Interest Calculation Agent's determination:

- (A) is or will be unable to receive any payment due in respect of the Initial Charged Assets in full on the due date therefor without a deduction for or on account of any withholding tax, back-up withholding or other tax, duties or charges of whatsoever nature imposed by any authority of any jurisdiction;
- (B) is or will be required to pay any tax, duty or charge of whatsoever nature imposed by any authority of any jurisdiction in respect of any payment received in respect of any Initial Charged Assets; and/or
- (C) is or will be required to comply with any reporting requirement (other than in respect of FATCA) of any authority of any jurisdiction in respect of any payment received in respect of any Initial Charged Assets,

provided that the Issuer, using reasonable efforts prior to the due date for the relevant payment, is (or would be) unable to avoid such deduction(s), payment(s) and/or reporting requirement(s) described in sub-paragraphs (A) to (C) of this definition of Initial Charged Assets Tax Event by filing a valid declaration that it is not a resident of such jurisdiction and/or by executing any certificate, form or other document in order to make a claim under a double taxation treaty or other exemption available to it. If the action that the Issuer would be required to undertake so as to avoid any such deduction(s), payment(s) and/or reporting requirement(s) would involve any material expense or is, in the sole opinion of the Issuer, unduly onerous the Issuer shall not be required to take any such action.

Without prejudice to the generality of the foregoing, a withholding imposed on payments in respect of any Initial Charged Assets as a result of FATCA shall constitute an Initial Charged Assets Tax Event. For the purposes of this definition, if on the date falling 60 calendar days prior to the earliest date on which withholding on account of FATCA could apply to payments under, or in respect of sales proceeds of, the relevant Initial Charged Assets (such 60th day prior being the "**FATCA Test Date**"), the Issuer is a "nonparticipating foreign financial institution" (as such term is used under section 1471 of the U.S. Internal Revenue Code or in any regulations or guidance thereunder), the Issuer will be deemed on the FATCA Test Date to be unable to receive a payment due in respect of such Initial Charged Assets in full on the due date therefor without deduction for or on account of any withholding tax and, therefore, an Initial Charged Assets Tax Event will have occurred on the FATCA Test Date.

- (2) Notwithstanding the foregoing, if the requirement to withhold, deduct or account for any present or future taxes, duties or charges of whatsoever nature referred to in paragraph (1) above arises solely as a result of any Noteholder's connection with the jurisdiction of incorporation of the Issuer or otherwise than by reason only of the holding of any Note or receiving or being entitled to any payment in respect thereof then, to the extent possible, the Issuer shall deduct such taxes, duties or charges, as applicable, from amount(s) payable to such Noteholder and, provided that payments to other Noteholders would not be impaired, the Issuer shall not give notice thereof pursuant to Condition 7(d)(1). Any such deduction shall not constitute an Event of Default.

For the avoidance of doubt, none of the Issuer, the Trustee or the Interest Calculation Agent shall be required to monitor, enquire or satisfy itself as to whether any Note Tax Event or Initial Charged Assets Tax Event has occurred. Neither the Trustee nor the Interest Calculation Agent shall have any obligation, responsibility or liability for giving or not giving any notice thereof to the Issuer or any Creditor. If the Issuer gives a notice to the Trustee of the occurrence of a Note Tax Event or Initial Charged Assets Tax Event, the Trustee shall be entitled to rely conclusively on such notice without further investigation.

For the purpose of this Condition 7(d), the following terms shall have the meaning set out below:

"Initial Charged Assets", with respect to a Series, means the Charged Assets initially held by or on behalf of the Issuer as specified in the relevant Constituting Instrument.

"**Creditor**" means the Trustee, the Swap Counterparty (if any), each Agent, the Noteholders, the Receiptholders and the Couponholders (if any).

(e) *Redemption for Regulatory Event*

If, in the determination of the Determination Agent, a Regulatory Event occurs, then the Determination Agent may upon becoming aware of any such Regulatory Event give notice thereof to the Issuer and the Trustee and the Notes shall become due and repayable as provided by Condition 7(i) (unless otherwise specified in the relevant Constituting Instrument). The Issuer shall give notice to the Noteholders in accordance with Condition 14 and to the Swap Counterparty that the Notes will become due and repayable in accordance with Condition 7(i) as soon as reasonably practicable after the Issuer receives notice from the Determination Agent of the occurrence of the relevant Regulatory Event. Any failure or delay by the Determination Agent to serve the notice referred to above shall not constitute a waiver of the Determination Agent's right to serve such a notice in respect of the relevant Regulatory Event or in respect of any other Regulatory Event.

"**Regulatory Event**" means that (including, without limitation, in connection with the application of the Alternative Investment Fund Managers Directive 2011/61/EU): (i) as a result of the adoption of, or any change in, any applicable law or regulation or (ii) as a result of the promulgation of, or any change in, the interpretation of any applicable law or regulation by any court, tribunal, government or regulatory authority (each, a "**relevant authority**"), including informal public or private statements or actions by, or responses of, any official or representative of any relevant authority acting in an official capacity or other economic circumstances, (x) the regulatory treatment of the Notes, the Charged Agreement or the Issuer has become or is reasonably likely to become less favourable to, or has resulted or is reasonably likely to result in a burden on, the Issuer, the Swap Counterparty, the Trustee or Barclays Bank PLC acting in any capacity in connection with the Notes, or any of their respective affiliates, including, without limitation, in connection with maintaining the existence of the Issuer, the Charged Agreement, the Notes or any other securities issued by the Issuer, or (y) the Issuer, the Swap Counterparty, the Trustee or Barclays Bank PLC acting in any capacity in connection with the Notes, or any of their respective affiliates, has suffered, or there is a reasonable likelihood that it will suffer, an adverse consequence, including, without limitation, any increased cost (including, without limitation, internal charges or costs), in connection with the issuance of the Notes, entering into the Charged Agreement, hedging the Swap Counterparty's obligations under the Charged Agreement or maintaining the existence of the Issuer, the Charged Agreement, the Notes or any other securities issued by the Issuer.

(f) *Redemption on termination of Charged Agreement*

If any Charged Agreement is terminated (in whole but not in part and other than in consequence of Condition 7(k) or Condition 7(l) or in connection with a redemption of Notes pursuant to Condition 7(b), Condition 7(c), Condition 7(d), Condition 7(j) or Condition 9 or save where the Conditions provide otherwise) for any reason, then the Issuer or the Swap Counterparty (if any) (as the case may be) shall promptly give notice to the Trustee and the Swap Counterparty (if any) or the Issuer (as the case may be) and the Notes shall become due and repayable at their Early Redemption Amount as provided by Condition 7(i) (unless otherwise specified in the relevant Constituting Instrument). The Issuer shall give notice to the Noteholders in accordance with Condition 14 that the Notes will become due and repayable at their Early Redemption Amount in accordance with Condition 7(i) (unless otherwise specified in the relevant Constituting Instrument) as soon as reasonably practicable after becoming aware of such event or circumstance.

(g) *Early redemption following an Administrator/Benchmark Event*

Following delivery of an Administrator/Benchmark Notification by the Interest Calculation Agent in accordance with Condition 6(j)(*Administrator/Benchmark Event*), then if either:

- (3) the Replacement Benchmark Notice and the Replacement Benchmark Amendments Notice are not delivered at least two calendar days before the Benchmark Adjustment Long Stop Date; or
- (4) after 30 calendar days following the Administrator/Benchmark Notification Date (or such shorter period specified in the Constituting Instrument and/or such shorter period determined by the Interest Calculation Agent as necessary to ensure compliance with all applicable laws,

regulations and licensing requirements) (the "**Benchmark Adjustment Long Stop Date**"), the Interest Calculation Agent has not, at its election and in its sole and absolute discretion, undertaken one or more Replacement Benchmark Remedial Actions, which take effect on any date selected by the Interest Calculation Agent (including after such the Benchmark Adjustment Long Stop Date),

then an "**Administrator/Benchmark Early Redemption Event**" shall occur on the Business Day following the Benchmark Adjustment Long Stop Date and the Notes of such Series shall be redeemed on their applicable Early Redemption Date in accordance with Condition 7(g) below.

As soon as practicable following an Administrator/Benchmark Early Redemption Event, the Issuer shall give notice to the Noteholders in accordance with Condition 14 that the Notes will become due and repayable in accordance with Condition 7(i) (unless otherwise specified in the relevant Constituting Instrument). Any failure or delay by the Issuer to give such a notice to any of the intended recipients thereof shall not affect that the Notes will become due and repayable in accordance with Condition 7(i).

(h) *Early redemption of Zero Coupon Notes*

The provisions of this Condition 7(h) shall apply to any Note in respect of which the Amortisation Yield and Day Count Fraction are specified in the Constituting Instrument.

(1) The amount payable in respect of any Zero Coupon Note upon redemption of such Note pursuant to Condition 7(b), Condition 7(c), Condition 7(d), Condition 7(e), Condition 7(f), Condition 7(g) or, if applicable, Condition 7(j) or upon its becoming due and payable as provided in Condition 9 shall be the Amortised Face Amount (calculated as provided below) of such Note. References in these Conditions to "**principal**" or "**Early Redemption Amount**" or "**Issuer Optional Redemption Amount**" or "**Noteholder Optional Redemption Amount**" in the case of Zero Coupon Notes shall be deemed to include references to "**Amortised Face Amount**" where the context permits.

(2) Subject to the provisions of Condition 7(h)(3) below, the Amortised Face Amount of any Zero Coupon Note shall be the Scheduled Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield specified in the Constituting Instrument compounded annually. Where such calculation is made for a period of less than one year, it shall be made on the basis of the Day Count Fraction specified in the Constituting Instrument.

(3) If the amount payable in respect of any Zero Coupon Note upon redemption of such Note pursuant to Condition 7(b), Condition 7(c), Condition 7(d), Condition 7(e), Condition 7(f), Condition 7(g) or, if applicable, Condition 7(j) or upon its becoming due and payable as provided in Condition 9 is not paid when due, the amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note as calculated in accordance with Condition 7(h)(2), except that such sub-paragraph shall have effect as though the reference therein to the Maturity Date were replaced by a reference to the date (the "**Relevant Date**") which is the earlier of:

(A) the date on which all amounts due in respect of the Note have been paid; and

(B) the date on which the full amount of the moneys payable has been received by the Trustee or the Principal Paying Agent, in the case of Bearer Notes, or the Registrar, in the case of Registered Notes, and notice to that effect has been given to holders in accordance with the provisions of Condition 14.

The calculation of the Amortised Face Amount will continue to be made (as well after as before judgment) until the Relevant Date unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the principal amount of such Note together with any interest which may accrue in accordance with Condition 6(d).

(i) *Redemption amount of Notes*

- (1) The amount payable upon redemption of each Note (other than an Interest Only Note) on the Maturity Date in accordance with Condition 7(a) (the "**Scheduled Redemption Amount**") shall be the outstanding principal amount of the Notes unless, if a "Non-Call Redemption" (as defined below) is specified as applicable in the Constituting Instrument and a Non-Call Redemption shall have occurred, in which event the amount so payable shall be the Early Redemption Amount (as defined below) (unless otherwise specified in the Constituting Instrument) on the Maturity Date.

An event leading to an early redemption pursuant to Condition 7(b) or Condition 7(c) or Condition 7(d), Condition 7(e), Condition 7(f) or Condition 7(g) or leading to the Notes becoming due and payable pursuant to Condition 9 or leading to a Non-Call Redemption can occur even if the Issuer does not hold any Charged Assets.

For the purposes of this Condition 7:

"Non-Call Redemption" shall occur if an obligor in respect of the Charged Assets does not exercise its option to redeem the Charged Assets in whole on the Non-Call Redemption Date (as specified in the Constituting Instrument) in accordance with the terms and conditions of the Charged Assets.

- (2) Subject as provided by Condition 7(h) and unless the Constituting Instrument provides otherwise, the amount payable upon redemption of each Note pursuant to Condition 7(b), Condition 7(c), Condition 7(d), Condition 7(e), Condition 7(f), Condition 7(g) or following a Non-Call Redemption or upon its becoming due and payable as provided in Condition 9 shall be the Early Redemption Amount, and shall be payable on the Early Redemption Date (as defined below). No interest shall be payable in addition to the Early Redemption Amount except interest which was due and payable prior to the Early Redemption Date. Unless otherwise set out in the Constituting Instrument, no Early Redemption Amount shall be payable in respect of an Interest Only Note.

"Early Redemption Amount" means, in respect of a Note, in relation to a Non-Call Redemption, or a redemption pursuant to Condition 7(b), 7(c), 7(d), 7(e), 7(f), 7(g) and 9, the Early Cash Redemption Amount A, the Early Cash Redemption Amount B, the Adjusted Early Cash Redemption Amount, the Early Physical Redemption Amount, the Deliverable Amount or the Adjusted Deliverable Amount, as applicable.

"Early Redemption Date" means:

- (a) in the case of a redemption pursuant to Condition 7(b), Condition 7(d), Condition 7(e), Condition 7(f) or Condition 7(g), the date specified in a notice from the Issuer to the Noteholders specifying the Early Redemption Date;
 - (b) in the case of a redemption pursuant to Condition 7(c), the day which is six Business Days following the date of the relevant notice from the Issuer to the Noteholders; and
 - (c) upon the Notes becoming due and payable as provided in Condition 9, the date on which the Trustee gives notice to the Issuer that the Notes are due and repayable.
- (3) Unless the Constituting Instrument provides otherwise, upon the date on which the Issuer gives notice to the Noteholders that the Notes will become due and repayable pursuant to Condition 7(b), Condition 7(c) (if applicable), Condition 7(d), Condition 7(e) or Condition 7(f) or following a Non-Call Redemption or in respect of Condition 7(g) the date on which an Administrator/Benchmark Early Redemption Event occurs or as otherwise specified in these Conditions, the security constituted by the relevant Constituting Instrument shall become enforceable and the provisions of Condition 4(a) and Condition 4(c) shall thereafter apply. Upon receipt of the proceeds (if any) of realisation of the Collateral following such enforcement, each Note shall be redeemed on the Early Redemption Date.
- (4) The Constituting Instrument shall, where appropriate, specify the name of the Determination Agent appointed to determine the Early Redemption Amount. The Issuer will

procure that, so long as any Note remains outstanding, there shall at all times be a Determination Agent if provision is made for the same in the Constituting Instrument.

The Determination Agent will, on such date as the Determination Agent may be required to calculate any Early Redemption Amount, if required to be calculated, cause such Early Redemption Amount to be notified to the Trustee, the Principal Paying Agent, or, in the case of Registered Notes, the Registrar, and each of the Paying Agents and to be notified to Noteholders in accordance with Condition 14 as soon as possible after its calculation but in no event later than the first Relevant Business Day thereafter. Any calculation of the Early Redemption Amount (whether by the Determination Agent or the Trustee) shall (in the absence of manifest error) be final and binding upon all parties.

If the Determination Agent is unable or unwilling to act as such, the Issuer will, with the prior written consent of the Trustee, appoint the London office of a leading bank engaged in the London interbank market to act as such in its place. The Determination Agent may not resign its duties without a successor having been appointed as aforesaid.

- (5) If any Maximum or Minimum Redemption Amount is specified in the Constituting Instrument, then the Early Redemption Amount shall in no event exceed the maximum or, subject as provided in Condition 7(i)(2) and Condition 10, be less than the minimum so specified.
- (6) The Issuer may, if so specified in the applicable Constituting Instrument that this Condition 7(i)(6) applies and if the Constituting Instrument specifies the name of a Determination Agent, elect to satisfy its obligations to the Noteholders to pay the Scheduled Redemption Amount or any Early Redemption Amount or any Noteholder Optional Redemption Amount (as defined in Condition 7(j)(1)) or any Issuer Optional Redemption Amount (as defined in Condition 7(j)(2)) in respect of each Note by delivery to the relevant Noteholder of the Attributable Charged Assets (as defined below).

In such case, the Issuer will procure that the Custodian will, subject to receipt by it of a confirmation from the Principal Paying Agent or Registrar (as relevant) of any termination payment payable to or by the Issuer from or to each Swap Counterparty (if any) on termination of the Charged Agreement (if any) subject to the terms and conditions of the Charged Assets and to all applicable laws, regulations and directives and to payment by the relevant Noteholder(s) of any costs and expenses (including stamp duty or other tax) involved, deliver the Attributable Charged Assets, or shall procure that the Attributable Charged Assets are delivered, to each relevant Noteholder (free and clear of all charges, liens and other encumbrances but together with the benefit of all rights and entitlements attaching thereto at any time after the date of delivery) on the date specified in the applicable Constituting Instrument (the "**Delivery Date**").

In connection with the foregoing, the security created over the relevant Charged Assets pursuant to the Trust Deed and/or any Additional Charging Instrument shall be released by the Trustee to the extent necessary to deliver any Charged Assets pursuant to the foregoing. In connection with the foregoing, the Trustee shall have the right to (but shall not be obliged to), or shall if so directed (a) (i) in writing by the holders of at least one-fifth in principal amount of the Notes then outstanding or (ii) by an Extraordinary Resolution of the Noteholders, and (b) in writing by a Swap Counterparty, by notice to the Realisation Agent and the Custodian, require any such instruction from the Issuer to the Custodian or any other Agent regarding the delivery of the Charged Assets to require the prior approval in writing of the Trustee. Where any such notice is so given to the Custodian and/or other Agent by the Trustee, the Custodian and any such Agent(s) shall not act on any such instruction of the Issuer contemplated in this Condition 7(i)(6) without the prior written approval of the Trustee. The Trustee shall not be required to take any action contemplated in this Condition 7(i)(6) unless, at its request, it is first secured and/or indemnified and/or prefunded to its satisfaction.

In order to receive delivery of the relevant amount of Attributable Charged Assets, each Noteholder shall, on or prior to the Delivery Date, supply to the Custodian such evidence of the aggregate principal amount of the Notes held by such Noteholder as the Custodian may require. The following shall constitute evidence satisfactory to the Custodian:

- (i) if the Notes are in definitive form, all unmatured Coupons appertaining to such Note(s) (or an indemnity from each Noteholder in respect of any unmatured Coupons not so surrendered as the Issuer may require); or
- (ii) in the case of Notes in global form, a certificate or other document issued by Euroclear or Clearstream, Luxembourg or the Alternative Clearing System as to the principal amount of the Notes standing to the credit of the account of the Noteholder in question and confirming that such Noteholder has undertaken to Euroclear or Clearstream, Luxembourg or the Alternative Clearing System expressly for the benefit of the Issuer that it will not sell, transfer or otherwise dispose of its Notes (or any of them) or any interest therein at any time on or prior to the Delivery Date,

together with, in either case, confirmation from the Principal Paying Agent or the Paying Agent or the Registrar (as relevant) that the Noteholder has surrendered to it the relevant Notes.

On receipt of such evidence by the Custodian, the relevant amount of Attributable Charged Assets shall (subject as aforesaid) be delivered to such Noteholder or to such account with Euroclear or Clearstream, Luxembourg or the Alternative Clearing System as will be specified in the delivery instructions given in the manner set out below. Any stamp duty or other tax and any other costs and expenses payable in respect of the transfer of such Attributable Charged Assets shall be the responsibility of, and payable by, the relevant Noteholder.

A holder of Notes in definitive form, at the same time as surrendering such Notes together with, if applicable, all unmatured Coupons appertaining thereto, to the Principal Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes), shall specify to the Principal Paying Agent or the Registrar (as applicable) its instructions concerning the delivery to it, or any nominee of it, of the relevant amount of Attributable Charged Assets to which it is entitled and the Principal Paying Agent or Registrar (as applicable) shall forthwith notify the Custodian and each Swap Counterparty (if any) of such instructions.

A holder of Notes in global form shall notify the Custodian of its instructions concerning the delivery to it, or any nominee of it, of the relevant amount of Attributable Charged Assets to which it is entitled, which instructions will, for the avoidance of doubt, be included in any notice given to the Custodian by Euroclear or Clearstream, Luxembourg in accordance with the provisions above and the Custodian shall forthwith notify the Swap Counterparty of such instructions.

As used herein "**Attributable Charged Assets**" shall be the proportion of Charged Assets (rounded to the nearest whole number) as equals the proportion which each Noteholder's holding of Notes bears to the total principal amount outstanding of the Notes as calculated by the Determination Agent in the manner and on the date specified in the applicable Series Memorandum. If the amount of Attributable Charged Assets to be delivered to a Noteholder is not divisible by the minimum denomination of such Charged Assets, the amount of Attributable Charged Assets to be delivered to such Noteholder shall be rounded down to the nearest whole multiple of such minimum denomination. Any determination of the Attributable Charged Assets to which a Noteholder is entitled by the Custodian shall be final and binding on all parties.

The net sums (if any) realised upon the security becoming enforceable on the early redemption of the Notes pursuant to the Conditions (after meeting the expenses and remuneration of and any other amounts due to the Trustee or any receiver and the claims of any other person ranking ahead of the Swap Counterparty and the Noteholders in accordance with the order of payments described in Condition 4(d)) may be insufficient to pay all the amounts due to each Swap Counterparty (if any) and to pay to the Noteholders amounts equal to the Scheduled Redemption Amount and the interest which would otherwise accrue to the date of redemption. In such event, any shortfall shall be borne by the Noteholders and by each Swap

Counterparty (if any) and any other persons entitled to the benefit of the security pursuant to the Constituting Instrument in the inverse of the order of priority specified in the Constituting Instrument, and the Early Redemption Amount will reflect such shortfall in the case of the Noteholders. None of the Trustee, the holder of the issued share capital of the Issuer, the Administrator, any Swap Counterparty, the Arranger, the Dealers or any other person has any obligation to any Noteholders for payment of any amount by the Issuer in respect of the Notes or Receipts or Coupons (if any).

(7) *Charged Agreement Termination Method*

Under the terms of the relevant Charged Agreement (if any), the parties thereto may elect for payments thereunder upon termination thereof to be made in accordance with either of the following two options (each being a "**Charged Agreement Termination Method**"):

- (A) "**Standard 6(e) Termination**": the relevant Charged Agreement shall terminate in accordance with the provisions of Section 6(e) of that Charged Agreement; or
- (B) "**Variable Standard 6(e) Termination**": the relevant Charged Agreement shall terminate in accordance with the provisions of Section 6(e) of that Charged Agreement, provided that upon termination of the Charged Agreement as a result of the redemption of the Notes upon the occurrence of a Mandatory Redemption Event, the parties thereto have agreed that the obligations of the parties shall be satisfied by the payment of all Unpaid Amounts (as such term is defined in the Charged Agreement) owed by either party on the early termination date of the Charged Agreement, and if Unpaid Amounts are owed by each party to the other, then, on such date, each party's obligation to make payment of any such amount will be automatically satisfied and discharged to such extent such amounts may be set-off and, if the aggregate amount that would otherwise have been payable by one party exceeds the aggregate amount that would otherwise have been payable by the other party, replaced by an obligation upon the party by whom the larger aggregate amount would have been payable to pay to the other party the excess of the larger aggregate amount over the smaller aggregate amount (the amount so payable on early termination being the Net Unpaid Amounts (as such term is defined in the Charged Agreement)).

(8) *Provisions for the determination of Early Redemption Amount under Condition 7(i):*

Settlement Method

- (A) Where only "**Cash Settlement**" is specified as applicable in the Constituting Instrument, the Early Redemption Amount of any Notes being redeemed early pursuant to Condition 7(b), 7(c), 7(d), 7(e), 7(f), 7(g) or 9 or following a Non-Call Redemption shall either be the Early Cash Redemption Amount A or the Early Cash Redemption Amount B, or the Adjusted Early Cash Redemption Amount in respect of any Notes being redeemed early pursuant to Condition 7(b)(1), as specified in the Constituting Instrument.
- (B) Where only "**Physical Settlement**" is specified as applicable in the Constituting Instrument, the Early Redemption Amount of any Notes being redeemed early pursuant to Condition 7(b), 7(c), 7(d), 7(e), 7(f), 7(g) or 9 or following a Non-Call Redemption shall either be the Early Physical Redemption Amount or the Deliverable Amount, or the Adjusted Deliverable Amount in respect of any Notes being redeemed early pursuant to Condition 7(b)(1), as specified in the Constituting Instrument.

If "Cash Settlement" and "Physical Settlement" are both specified as applicable in the Constituting Instrument, then the Determination Agent shall have sole and absolute discretion to determine the number of Notes to which Cash Settlement applies and the number of Notes to which Physical Settlement applies (as the case may be), the manner in which the Notes will be redeemed early (to the extent

not already provided under these Conditions or specified in the relevant Constituting Instrument in respect of the Notes) and to make such amendments and modifications to this Condition 7(i)(8) to such extent necessary to preserve the economic effects of this Condition (as supplemented in the Constituting Instrument).

(C) Where "**Noteholder Redemption Instruction**" is specified as applicable in the Constituting Instrument, the Early Redemption Amount shall be an amount determined as follows:

(i) **Redemption Instruction Notice:** each Noteholder shall deliver to the Issuer (copied to the Trustee, the Determination Agent and the Swap Counterparty) a valid redemption instruction notice (a "**Redemption Instruction Notice**") (a) in respect of itself (if such Noteholder is the beneficial owner of any Notes) and (b) (if such Noteholder holds any Notes on behalf of any other beneficial owner) in respect of each such beneficial owner, which may be in, or substantially in, the form set out in Schedule 5 to the Master Agency Terms (and available upon request from the specified office of the Principal Paying Agent during normal office hours on any Business Day) on or prior to the third Business Day after the effective date of any notice from the Issuer or the Trustee to the Noteholders stating that the Notes are to be redeemed before their Maturity Date under Condition 7(b), 7(c), 7(d), 7(e), 7(f), 7(g) or 9 or in the case of a Non-Call Redemption or such other date as may be agreed between the Issuer, the Swap Counterparty and the relevant Noteholder (the "**Cut-Off Date**");

(ii) **Physical Settlement:** if (a) "Physical Settlement" is specified in a Redemption Instruction Notice as the method by which redemption is to be effected and (b) the relevant Noteholder has certified it is not a "U.S. Person" for the purposes of relevant United States securities regulations, the Early Redemption Amount in respect of each Note to which such Redemption Instruction Notice relates shall be satisfied by delivery of the Early Physical Redemption Amount or the Deliverable Amount or the Adjusted Deliverable Amount in respect of any Notes being redeemed early pursuant to Condition 7(b)(1), as specified in the Constituting Instrument.

For the avoidance of doubt, Physical Settlement may be specified in a Redemption Instruction Notice as the method by which redemption is to be effected even in the case of a default in respect of the Charged Assets or the Charged Assets Issuer. Where the Issuer is to deliver any Charged Assets to the Noteholder and such Charged Assets are comprised of more than one obligation, the Issuer may make such delivery in such proportions as the Determination Agent may in its absolute discretion determine.

(iii) **Cash Settlement:** if (a) "Cash Settlement" is specified in a Redemption Instruction Notice, or (b) the relevant Noteholder has not certified it is not a "U.S. Person" for the purposes of the relevant United States securities regulations or (c) a valid Redemption Instruction Notice is not received by the Issuer on or before the Cut-Off Date for the relevant Noteholder, then the Early Redemption Amount payable in respect of the relevant Note shall be the Early Cash Redemption Amount A or the Early Cash Redemption Amount B or the Adjusted Early Cash Redemption Amount in respect of any Notes being early redeemed pursuant to Condition 7(b)(1), as specified in the Constituting Instrument.

References to "Cash Settlement" under these Conditions shall be construed pursuant to sub-paragraph (A) or sub-paragraph (iii) under sub-paragraph (C) headed "Noteholder Redemption Instruction", as the context may require.

References to "Physical Settlement" under these Conditions shall be construed pursuant to sub-paragraph (B) or sub-paragraph (ii) under the sub-paragraph (C) headed "Noteholder Redemption Instruction", as the context may require.

Provisions relating to Cash Settlement

(A) Where "**Early Cash Redemption Amount A**" is specified as applicable in the Constituting Instrument:

"**Early Cash Redemption Amount A**" means, in respect of each Note to which Cash Settlement applies:

- (a) where the Termination Costs are zero or a negative amount, an amount in cash equal to the sum of:
 - (i) the absolute value of the Termination Costs, divided by the total number of Notes to be redeemed early;
 - (ii) the Sale Proceeds of a *pro rata* share of the Remaining Charged Assets rounded down to the nearest permitted authorised denomination of Charged Assets (the principal amount of Charged Assets shall, for the avoidance of doubt, have been reduced to the extent necessary to fund payment of all prior ranking claims as provided for in the definition of "Remaining Charged Assets" below);
 - (iii) a *pro rata* share of any cash proceeds of the sale (less any taxes, costs, losses, and expenses incurred due to such sale) of (x) any Charged Assets sold to meet any claims ranking prior to Noteholders pursuant to Condition 4(d) (after payment of such claims has been made in full) and (y) any Charged Assets remaining after the rounding down in sub-paragraph (a)(ii) above; and
 - (iv) an amount in cash equal to the Residual Cash Amount, divided by the total number of Notes to be redeemed early; and
- (b) where the Termination Costs are a positive amount, an amount in cash equal to the sum of:
 - (i) the Sale Proceeds of a *pro rata* share of the Remaining Charged Assets rounded down to the nearest permitted authorised denomination of Charged Assets (the principal amount of Charged Assets shall, for the avoidance of doubt, have been reduced to the extent necessary to fund payment of prior ranking claims as provided for in the definition of "Remaining Charged Assets" below);
 - (ii) a *pro rata* share of any cash proceeds of the sale (less any taxes, costs, losses, and expenses incurred due to such sale) of (x) any Charged Assets sold to meet any claims ranking prior to Noteholders pursuant to Condition 4(d) (after payment of such claims has been made in full) and (y) any Charged Assets remaining after the rounding down in (b)(i); and
 - (iii) an amount in cash equal to the Residual Cash Amount, divided by the total number of Notes to be redeemed early.

For the purposes of the definition of "**Early Cash Redemption Amount A**", the following shall apply:

- (i) references to a "*pro rata* share" of any Charged Assets and a "*pro rata* share" of the cash proceeds of the sale of any Charged Assets means a portion of such Charged Assets or such cash calculated by applying thereto a fraction, the numerator of which is the denomination of one Note and the denominator of which is the aggregate denominations of all Notes to be redeemed early;
- (ii) "**Reference Assets**" means any bonds or securities (which may include, without limitation, convertible bonds or JGBs) specified in the Constituting Instrument of the relevant Series of Notes, which may or may not comprise all or part of the Charged Assets, and may be Defaulting Assets;
- (iii) "**Remaining Charged Assets**" means the Charged Assets remaining after the Issuer (or the Realisation Agent on behalf of the Issuer) has sold (or procured the sale of) such principal amount of Charged Assets as is necessary to fund payment in full of any Termination Costs owed to the Swap Counterparty and any other claims ranking prior to Noteholders pursuant to Condition 4(d), provided that if any Cash Collateral is held by the Issuer, a cash amount equal to the market value (as determined by the Determination Agent in its sole and absolute discretion) of Reference Assets of a principal amount equal to the amount of Cash Collateral held by the Issuer as of the Cut-Off Date or such other date as the Determination Agent may determine in its sole and absolute discretion on or prior to the Early Redemption Date or (in the case of a Non-call Redemption) the Maturity Date shall be applied in full (if possible) or partial payment of any Termination Costs and any other claims ranking prior to Noteholders pursuant to Condition 4(d), and Charged Assets that do not comprise cash shall only be sold pursuant to this paragraph if such cash amount is insufficient to cover payment of the Termination Costs;
- (iv) "**Residual Cash Amount**" means any cash (other than the Sale Proceeds) held by or on behalf of the Issuer in respect of the Notes; and
- (v) "**Sale Proceeds**" means, in respect of any Charged Assets, the cash proceeds from the sale of such Charged Assets less any taxes, costs, losses and expenses incurred due to such sale. If the Issuer holds Cash Collateral at that time, the Sale Proceeds shall include a cash amount (not exceeding the Cash Collateral) equal to the market value (as determined by the Determination Agent in its sole and absolute discretion) of Reference Assets of a principal amount equal to the amount of Cash Collateral. Any Cash Collateral remaining with the Issuer after such cash amount has been paid shall be paid to the Swap Counterparty under the Charged Agreement.

- (B) Where "**Early Cash Redemption Amount B**" is specified as applicable in the Constituting Instrument:

"**Early Cash Redemption Amount B**" means, in respect of each Note to which Cash Settlement applies:

- (a) where the Termination Costs (or Net Unpaid Amounts, if Variable Standard 6(e) Termination applies and a Mandatory Redemption Event occurs) are zero or a negative amount, an amount in cash equal to the sum of:
- (i) the absolute value of the Termination Costs (or Net Unpaid Amounts, if Variable Standard 6(e) Termination applies and a Mandatory Redemption Event occurs), divided by the total number of Notes to be redeemed early;
 - (ii) the Sale Proceeds of a *pro rata* share of the Remaining Charged Assets rounded down to the nearest permitted authorised denomination of Charged Assets (the principal amount of Charged Assets shall, for the avoidance of doubt, have been reduced to the extent necessary to fund payment of all prior ranking claims as provided for in the definition of "Remaining Charged Assets" below);
 - (iii) a *pro rata* share of any cash proceeds of the sale (less any taxes, costs, losses, and expenses incurred due to such sale) of (x) any Charged Assets sold to meet any claims ranking prior to Noteholders pursuant to Condition 4(d) (after payment of such claims has been made in full) and (y) any Charged Assets remaining after the rounding down in sub-paragraph (a)(ii) above, and
 - (iv) an amount in cash equal to the Residual Cash Amount, divided by the total number of Notes to be redeemed early; and
- (b) where the Termination Costs (or Net Unpaid Amounts, if Variable Standard 6(e) Termination applies and a Mandatory Redemption Event occurs) are a positive amount, an amount in cash equal to the sum of:
- (i) the Sale Proceeds of a *pro rata* share of the Remaining Charged Assets rounded down to the nearest permitted authorised denomination of Charged Assets (the principal amount of Charged Assets shall, for the avoidance of doubt, have been reduced to the extent necessary to fund payment of prior ranking claims as provided for in the definition of "Remaining Charged Assets" below);
 - (ii) a *pro rata* share of any cash proceeds of the sale (less any taxes, costs, losses, and expenses incurred due to such sale) of (x) any Charged Assets sold to meet any claims ranking prior to Noteholders pursuant to Condition 4(d) (after payment of such claims has been made in full) and (y) any Charged Assets remaining after the rounding down in sub-paragraph (b)(i) above; and
 - (iii) an amount in cash equal to the Residual Cash Amount divided by the total number of Notes to be redeemed early.

For the purposes of the definition of "**Early Cash Redemption Amount B**", the following shall apply:

- (i) references to a "*pro rata* share" of any Charged Assets and a "*pro rata* share" of the cash proceeds of the sale of any Charged Assets means a portion of such Charged Assets or such cash calculated by applying thereto a fraction, the numerator of which is the denomination of one Note and the denominator of which is the aggregate denominations of all Notes to be redeemed early;
- (ii) "**Reference Assets**" means any bonds or securities (which may include, without limitation, convertible bonds or JGBs) specified in the Constituting Instrument of the relevant Series of Notes, which may or may not comprise all or part of the Charged Assets, and may be Defaulting Assets.
- (iii) "**Remaining Charged Assets**" means the Charged Assets remaining after the Issuer (or the Realisation Agent on behalf of the Issuer) has sold (or procured the sale of) such principal amount of Charged Assets as is necessary to fund payment in full of any Termination Costs (or Net Unpaid Amounts, if Variable Standard 6(e) Termination applies and a Mandatory Redemption Event occurs) owed to the Swap Counterparty and any other claims ranking prior to Noteholders pursuant to Condition 4(d), rounded down to the nearest permitted authorised denomination of Charged Assets provided that if any Cash Collateral is held by the Issuer, a cash amount equal to the market value (as determined by the Determination Agent in its sole and absolute discretion) of Reference Assets of a principal amount equal to the amount of Cash Collateral held by the Issuer as of the Cut-Off Date or such other date as the Determination Agent may determine in its sole and absolute discretion on or prior to the Early Redemption Date or (in the case of a Non-call Redemption) the Maturity Date shall be applied in full (if possible) or partial payment of any Termination Costs (or Net Unpaid Amounts, if Variable Standard 6(e) Termination applies and a Mandatory Redemption Event occurs) and any other claims ranking prior to Noteholders pursuant to Condition 4(d), and Charged Assets that do not comprise cash shall only be sold pursuant to this paragraph if such cash amount is insufficient to cover payment of the Termination Costs (or Net Unpaid Amounts, if Variable Standard 6(e) Termination applies and a Mandatory Redemption Event occurs);
- (iv) "**Residual Cash Amount**" means any cash (other than the Sale Proceeds) held by or on behalf of the Issuer in respect of the Notes; and
- (v) "**Sale Proceeds**" means, in respect of any Charged Assets, the cash proceeds from the sale of such Charged Assets less any taxes, costs, losses and expenses incurred due to such sale. If the Issuer holds Cash Collateral at that time, the Sale Proceeds shall include a cash amount (not exceeding the Cash Collateral) equal to the market value (as determined by the Determination Agent in its sole and absolute discretion) of Reference Assets of a principal amount equal to the amount of Cash Collateral. Any Cash Collateral remaining with the Issuer after such cash amount has been paid shall be paid to the Swap Counterparty under the Charged Agreement.

- (C) Where "**Adjusted Early Cash Redemption Amount**" is specified as applicable in the Constituting Instrument in respect of Notes being redeemed early pursuant to Condition 7(b)(1):

"**Adjusted Early Cash Redemption Amount**" means, in respect of each Note to which Cash Settlement applies:

- (a) where the Termination Costs are zero or a negative amount, an amount in cash equal to the sum of:
- (i) the absolute value of the Termination Costs divided by the total number of Notes to be redeemed early; and
 - (ii) an amount equal to the market value (as determined by the Determination Agent in its sole discretion) of the Defaulting Assets, divided by the total number of Notes to be redeemed early; and
- (b) where the Termination Costs are a positive amount, an amount in cash equal to:
- (i) an amount equal to the market value (as determined by the Determination Agent in its sole and absolute discretion) of the Defaulting Assets, divided by the total number of Notes to be redeemed early; less
 - (ii) the absolute value of the Termination Costs, divided by the total number of Notes to be redeemed early.

For the purposes of the definition of "**Adjusted Early Cash Redemption Amount**", the following shall apply:

- (i) "**Defaulting Assets**" means any Charged Assets (which shall include any Replaced Charged Assets) or Reference Assets, in respect of which a Mandatory Redemption Event has occurred, in a principal amount equal to the aggregate principal amount of Notes to be redeemed early.
- (ii) "**Reference Assets**" means any bonds or securities (which may include, without limitation, convertible bonds or JGBs) specified in the Constituting Instrument of the relevant Series of Notes, which may or may not comprise all or part of the Charged Assets, and may be Defaulting Assets.

The Realisation Agent shall be deemed to be instructed by the Issuer to arrange the sale of Charged Assets to such extent necessary to permit the Issuer to meet its obligations to make payment of any Adjusted Early Cash Redemption Amount. If the Issuer holds Cash Collateral at that time, then the Issuer shall use such Cash Collateral to meet its obligations to make payment of any Adjusted Early Cash Redemption Amount. If there is any Charged Assets or Cash Collateral remaining with the Issuer after payment of any Adjusted Early Cash Redemption Amount, then such Charged Assets or Cash Collateral shall be delivered or paid to the Swap Counterparty under the Charged Agreement.

Provisions relating to Physical Settlement

- (A) Where "**Early Physical Redemption Amount**" is specified as applicable in the Constituting Instrument:

"**Early Physical Redemption Amount**" means, in respect of each Note in relation to which Physical Settlement applies:

- (a) where the Termination Costs are zero or a negative amount:
 - (i) delivery, on the due date for redemption, to the holder of such Note of such Note's *pro rata* share of the Net Charged Assets rounded down to the nearest permitted authorised denomination of Net Charged Assets (as determined by the Determination Agent in its absolute discretion); and
 - (ii) payment, on the due date for redemption, to the holder of such Note of an amount in cash equal to the sum of such Note's *pro rata* share of:
 - (1) the absolute value of the Termination Costs; and
 - (2) the cash proceeds of the sale of any part of the Net Charged Assets remaining after the rounding down in paragraph (a)(i) of this definition less any taxes, costs, losses and expenses incurred in such sale; and
- (b) where the Termination Costs are a positive amount:
 - (i) delivery, on the due date for redemption, to the holder of such Note of such Note's *pro rata* share of the Net Charged Assets remaining after the Issuer (or the Realisation Agent on behalf of the Issuer) has sold such principal amount of the Net Charged Assets as is necessary, in the opinion of the Determination Agent, to first pay in full any Termination Costs owed to the Swap Counterparty, rounded down to the nearest permitted authorised denomination of Net Charged Assets, as determined by the Determination Agent; and
 - (ii) payment, on the due date for redemption, to the holder of such Note of the sum of such Note's *pro rata* share of:
 - (1) any cash proceeds of the sale of any part of the Net Charged Assets remaining after the rounding down in paragraph (b)(i) of this definition less any taxes, costs, losses and expenses incurred in such sale;
 - (2) any cash remaining after payment of the amount owed by the Issuer to the Swap Counterparty to the extent not already comprised in the amounts referred to above,

For the purposes of the definition of "**Early Physical Redemption Amount**":

- (i) references to a "*pro rata* share" of any Net Charged Assets and a "*pro rata* share" of the cash proceeds of the sale of any Charged Assets means a portion of such Net Charged Assets or such cash calculated by applying thereto a fraction, the numerator of which is the denomination of one Note and the denominator of which is the aggregate denominations of all Notes to be redeemed early;
- (ii) "**Delivery Expense**" means any taxes (including, for the avoidance of doubt, stamp duty), costs, losses and expenses incurred by or on behalf of the Issuer in connection with its obligations under Condition 7;

- (iii) **"Net Charged Assets"** means, in relation to the redemption of the Notes and for the purpose of determining any Early Physical Redemption Amount, the Charged Assets (including any Replacement Charged Assets) relating to the Notes that continue to be held by the Custodian on behalf of the Issuer following liquidation by the Realisation Agent of such Charged Assets as are necessary to satisfy any Delivery Expense payable by or on behalf of the Issuer provided that if any Cash Collateral is held by the Issuer, the Net Charged Assets shall be a cash amount (not exceeding the Cash Collateral) equal to the market value (as determined by the Determination Agent in its sole and absolute discretion) of Reference Assets of a principal amount equal to the amount of Cash Collateral held by the Issuer as of the Cut-Off Date or such other date as the Determination Agent may determine in its sole and absolute discretion on or prior to the Early Redemption Date or (in the case of a Non-call Redemption) the Maturity Date, and any Cash Collateral remaining with the Issuer after such cash amount has been paid shall be paid to the Swap Counterparty under the Charged Agreement; and
 - (ii) **"Reference Assets"** means any bonds or securities (which may include, without limitation, convertible bonds or JGBs) specified in the Constituting Instrument of the relevant Series of Notes, which may or may not comprise all or part of the Charged Assets, and may be Defaulting Assets.
- (B) Where **"Deliverable Amount"** is specified as applicable in the Constituting Instrument:

"Deliverable Amount" means, in respect of each Note in relation to which Physical Settlement applies:

 - (a) where the Termination Costs (or Net Unpaid Amounts, if Variable Standard 6(e) Termination applies and a Mandatory Redemption Event occurs) are zero or a negative amount, delivery and/or payment to the holder of such Note of:
 - (i) an amount in cash equal to the absolute value of the Termination Costs (or Net Unpaid Amounts, if Variable Standard 6(e) Termination applies and a Mandatory Redemption Event occurs), divided by the total number of Notes to be redeemed early;
 - (ii) a *pro rata* share of the Remaining Charged Assets, rounded down to the nearest permitted authorised denomination of Charged Assets;
 - (iii) a *pro rata* share of the cash proceeds of the sale (less any taxes, costs, losses and expenses incurred due to such sale) of (x) any Charged Assets sold to meet any claims ranking prior to Noteholders pursuant to Condition 4(d) (after payment of such claims has been made in full) and (y) any Charged Assets remaining after the rounding down in sub-paragraph (a)(ii) above;
 - (iv) a *pro rata* share of a cash amount equal to the market value (as determined by the Determination Agent in its sole and absolute discretion) of the Reference Assets of a principal amount equal to the amount of Cash Collateral held by the Issuer as of the Cut-Off Date or such other date as the Determination Agent may determine

in its sole discretion on or prior to the Early Redemption Date or (in the case of Non-Call Redemption) the Maturity Date (if any); and

- (v) an amount in cash equal to the Residual Cash Amount, divided by the total number of Notes to be redeemed early; and
- (b) where the Termination Costs (or Net Unpaid Amounts, if Variable Standard 6(e) Termination applies and a Mandatory Redemption Event occurs) are a positive amount, delivery and/or payment to the holder of such Note of:
- (i) a *pro rata* share of the Remaining Charged Assets rounded down to the nearest permitted authorised denomination of Charged Assets (the principal amount of Charged Assets shall, for the avoidance of doubt, have been reduced to the extent necessary to fund payment of all prior ranking claims as provided for in the definition of "Remaining Charged Assets" below);
 - (ii) a *pro rata* share of any cash proceeds of the sale (less any taxes, costs, losses, and expenses incurred due to such sale) of (x) any Charged Assets sold to meet the Termination Costs (or Net Unpaid Amounts, if Variable Standard 6(e) Termination applies and a Mandatory Redemption Event occurs) and any claims ranking prior to Noteholders pursuant to Condition 4(d) (after payment of such claims has been made in full) and (y) any Charged Assets remaining after the rounding down in sub-paragraph (b)(i) above;
 - (iii) a *pro rata* share of a cash amount equal to the market value (as determined by the Determination Agent in its sole and absolute discretion) of the Reference Assets of a principal amount equal to the amount of Cash Collateral held by the Issuer as of the Cut-Off Date or such other date as the Determination Agent may determine in its sole discretion on or prior to the Early Redemption Date or (in the case of Non-Call Redemption) the Maturity Date (if any); and
 - (iv) an amount in cash equal to the Residual Cash Amount, divided by the total number of Notes to be redeemed early.

For the purposes of this definition of "**Deliverable Amount**":

- (i) references to a "*pro rata* share" of any Charged Assets and a "*pro rata* share" of the cash proceeds of the sale of any Charged Assets means a portion of such Charged Assets or such cash calculated by applying thereto a fraction, the numerator of which is the denomination of one Note and the denominator of which is the aggregate denominations of all Notes to be redeemed early;
- (ii) "**Reference Assets**" means any bonds or securities (which may include, without limitation, convertible bonds or JGBs) specified in the Constituting Instrument of the relevant Series of Notes, which may or may not comprise all or part of the Charged Assets, and may be Defaulting Assets.
- (iii) "**Remaining Charged Assets**" means the Charged Assets remaining after the Issuer has sold (or procured the sale of) such principal amount of Charged Assets as is necessary to fund payment in full of any Termination Costs (or Net Unpaid Amounts, if Variable Standard 6(e) Termination applies and a Mandatory Redemption Event occurs) owed to the Swap Counterparty and any other claims ranking prior to Noteholders pursuant to Condition 4(d), rounded down to

the nearest permitted authorised denomination of Charged Assets provided that if any Cash Collateral is held by the Issuer, a cash amount equal to the market value (as determined by the Determination Agent in its sole and absolute discretion) of the Reference Assets of a principal amount equal to the amount of Cash Collateral held by the Issuer as of the Cut-Off Date shall be applied in full (if possible) or partial payment of any Termination Costs (or Net Unpaid Amounts, if Variable Standard 6(e) Termination applies and a Mandatory Redemption Event occurs) and Charged Assets that do not comprise cash shall only be sold pursuant to this paragraph if such cash amount is insufficient to cover payment of the Termination Costs (or Net Unpaid Amounts, if Variable Standard 6(e) Termination applies and a Mandatory Redemption Event occurs).

- (iv) "**Residual Cash Amount**" means any cash (other than the sale proceeds of any Charged Assets or Cash Collateral remaining after payment of the amounts described in sub-paragraphs (a)(iv) or (b)(iii) (as the case may be) above) held by or on behalf of the Issuer in respect of the Notes. Any Cash Collateral remaining with the Issuer after payment of the amounts described in sub-paragraphs (a)(iv) or (b)(iii) (as the case may be) shall be paid to the Swap Counterparty under the Charged Agreement.

- (C) Where "**Adjusted Deliverable Amount**" is specified as applicable in the Constituting Instrument in respect of Notes being early redeemed pursuant to Condition 7(b)(1):

"**Adjusted Deliverable Amount**" means, in respect of each Note in relation to which Physical Settlement applies:

- (a) where the Termination Costs are zero or are a negative amount, delivery and/or payment to the holder of such Note of:
 - (i) an amount in cash equal to the absolute value of the Termination Costs, divided by the total number of Notes to be redeemed early;
 - (ii) a pro rata share of the Deliverable Defaulting Assets rounded down to the nearest permitted authorised denomination of Charged Assets, Replaced Charged Assets or Reference Assets (as the case may be);
 - (iii) a pro rata share of the cash proceeds of the sale (less any taxes, costs, losses and expenses incurred due to such sale) of any Charged Assets (which shall include any Replaced Charged Assets) or Reference Assets (as the case may be) sold to meet any claims ranking prior to Noteholders pursuant to Condition 4(d) (after payment of such claims has been made in full); and
 - (iv) an amount in cash equal to the Adjusted Residual Cash Amount divided by the total number of Notes to be redeemed early; and
- (b) where the Termination Costs are a positive amount, delivery and/or payment to the holder of such Note of:
 - (i) a pro rata share of the Deliverable Defaulting Assets rounded down to the nearest permitted authorised denomination of the Charged Assets (the principal amount of Charged Assets (which shall include any Replaced Charged Assets) or Reference Assets (as

the case may be) shall, for the avoidance of doubt, have been reduced to the extent necessary to fund payment of all prior ranking claims as provided for in the definition of "Deliverable Defaulting Assets" below);

- (ii) a pro rata share of any cash proceeds of the sale (less any taxes, costs, losses, and expenses incurred due to such sale) of any Charged Assets (which shall include any Replaced Charged Assets) or Reference Assets (as the case may be) sold to meet the Termination Costs and any claims ranking prior to Noteholders pursuant to Condition 4(d) (after payment of such claims has been made in full); and
- (iii) an amount in cash equal to the Adjusted Residual Cash Amount divided by the total number of Notes to be redeemed early.

For the purposes of this definition of "**Adjusted Deliverable Amount**":

- (i) references to a "*pro rata* share" of the Deliverable Defaulting Assets and a "*pro rata* share" of the cash proceeds of the sale of any Deliverable Defaulting Assets means a portion of such Deliverable Defaulting Assets or such cash calculated by applying thereto a fraction, the numerator of which is the denomination of one Note and the denominator of which is the aggregate denominations of all Notes to be redeemed early;
- (ii) "**Adjusted Residual Cash Amount**" means (i) the cash proceeds of sale of any Charged Assets (which shall include any Replaced Charged Assets) or Reference Assets, as the case may be, remaining after the rounding referred to in the definition of "Deliverable Defaulting Assets" less (ii) any taxes, costs, losses and expenses incurred in such sale;
- (iii) "**Defaulting Assets**" means any Charged Assets (which shall include any Replaced Charged Assets) or Reference Assets, in respect of which a Mandatory Redemption Event has occurred, in a principal amount equal to the aggregate principal amount of Notes to be redeemed early;
- (iv) "**Deliverable Defaulting Assets**" means any Charged Assets (which shall include any Replaced Charged Assets) or Reference Assets (as selected by the Determination Agent in its sole discretion), rounded down to the nearest permitted authorised denomination of such Charged Assets (which shall include any Replaced Charged Assets) or Reference Assets (as the case may be), with a principal amount equal to the market value of the relevant principal amount of Defaulting Assets, following the sale or delivery (or procured sale or delivery, as the case may be) of such principal amount of Charged Assets (which shall include any Replaced Charged Assets) or Reference Assets (as the case may be) necessary to (i) fund payment in full of any Termination Costs owed to the Swap Counterparty and any other claims ranking prior to Noteholders pursuant to Condition 4(d) and (ii) permit the Issuer to meet its obligations to make the payment of any Adjusted Early Cash Redemption Amount (if any), provided that if any Cash Collateral is held by the Issuer, the Deliverable Defaulting Assets may, in the sole and absolute discretion

of the Determination Agent, comprise a cash amount from the Cash Collateral equal to the market value (as determined by the Determination Agent in its sole and absolute discretion) of Reference Assets of a principal amount equal to the principal amount of Defaulting Assets, following payment in full of any Termination Costs owed to the Swap Counterparty and any other claims ranking prior to the Noteholders pursuant to Condition 4(d) and the Issuer's obligations to make the payment of any Adjusted Early Cash Redemption Amount (if any); and

- (v) "**Reference Assets**" means, any bonds or securities (which may include, without limitation, convertible bonds or JGBs) specified in the Constituting Instrument of the relevant Series of Notes, which may or may not comprise all or part of the Charged Assets, and may be Defaulting Assets.
- (D) Any delivery of Charged Assets (which shall include any Replaced Charged Assets) or Reference Assets to any Noteholder pursuant to this Condition 7 shall be subject to the terms and conditions of such Charged Assets and to all applicable laws, regulations and directives and to payment of any Delivery Expenses in connection therewith.
- (E) Notwithstanding anything to the contrary in this Condition 7(i)(8), if (i) it is illegal, impossible or impracticable (as determined by the Determination Agent in its sole discretion) to satisfy the Early Redemption Amount by delivering the Early Physical Redemption Amount or the Deliverable Amount to the Noteholder, the Early Redemption Amount payable in respect of the relevant Note shall be the Early Cash Redemption Amount A (in the case of delivery of the Early Physical Redemption Amount) or Early Cash Redemption Amount B (in the case of delivery of the Deliverable Amount); or (ii) it is illegal, impossible or impracticable (as determined by the Determination Agent in its sole discretion) to satisfy the Early Redemption Amount by delivering the Adjusted Deliverable Amount (if applicable) to the Noteholder, the Early Redemption Amount payable in respect of the relevant Note shall be the Adjusted Early Cash Redemption Amount (if applicable).
- (F) For the purposes of the delivery of Early Physical Redemption Amount or Deliverable Amount or Adjusted Deliverable Amount (as the case may be), delivery of any Charged Assets, Replaced Charged Assets or Reference Assets (as the case may be) to which a Noteholder is entitled shall be made in accordance with the instructions of such Noteholder set out in a delivery notice specifying an account in the Clearing System for delivery of such Charged Assets, Replaced Charged Assets or Reference Assets (as the case may be) (in or substantially in the form set out in the Master Agency Terms, copies of which are available at the specified office of each of the Paying Agents). Upon presentation and surrender of a Note, the Paying Agent shall issue to the holder thereof a receipt in respect of such Note. The Notes shall cease to be outstanding on the first day on or after the Settlement Date (as defined below) upon which the Issuer makes the relevant Charged Assets available for delivery in accordance with these Conditions. If there is a Settlement Disruption Event that prevents settlement on the Settlement Date, then settlement shall be on the first succeeding day on which settlement can take place through the relevant Clearing System unless a Settlement Disruption Event prevents settlement on each day that the relevant Clearing System is (or, but for the Settlement Disruption Event, would have been) open for business during the period ending 30 calendar days after the original date on which, but for the Settlement Disruption Event, settlement would have occurred. If settlement does not occur during such 30 calendar day period, the Issuer shall procure that the Custodian will hold the Charged Assets, Replaced Charged Assets or Reference Assets (as the case may be) comprising the aggregate Early Physical Redemption Amount or Deliverable Amount or Adjusted Deliverable Amount (as the case may be) in

respect of each Noteholder until such time as the Custodian receives a direction in writing from the relevant Noteholder (a "**Settlement Direction**") regarding the delivery of the relevant proportion of such Charged Assets, Replaced Charged Assets or Reference Assets (as the case may be), whereupon the Custodian shall notify the Trustee and the Issuer of the Settlement Direction and shall procure that the relevant proportion of Charged Assets, Replaced Charged Assets or Reference Assets (as the case may be) are delivered as soon as reasonably practicable in accordance with the Settlement Direction.

"**Settlement Date**" means the date specified in, or determined in accordance with the provisions of, the Constituting Instrument or, if such date is not a day on which the Clearing System is open for business, the next following day that is such a day.

"**Settlement Disruption Event**" means an event beyond the control of the Issuer and the relevant Noteholder as a result of which the Clearing System cannot clear transfers of the Charged Assets comprising the Early Physical Redemption Amount or the Deliverable Amount or the Adjusted Deliverable Amount, as the case may be, in respect of such Noteholder.

- (G) In connection with the foregoing provisions relating to Physical Settlement, the security created over the relevant Charged Assets pursuant to the Trust Deed and/or any Additional Charging Instrument shall be released by the Trustee to the extent necessary to realise and/or deliver the Charged Assets. In connection with the foregoing, the Trustee shall have the right to (but shall not be obliged to), or shall if so directed (a) (i) in writing by the holders of at least one-fifth in principal amount of the Notes then outstanding or (ii) by an Extraordinary Resolution of the Noteholders, and (b) in writing by a Swap Counterparty (if any), by notice to the Determination Agent, the Realisation Agent and the Custodian, require any instruction from the Issuer to the Custodian or any other Agent regarding the Charged Assets in connection with this Condition 7(i)(8) to require the prior approval in writing of the Trustee. Where any such notice is so given by the Trustee, the Custodian and any such Agent(s) shall not act on any such instruction of the Issuer without the prior written approval of the Trustee. The Trustee shall not be required to take any action contemplated in this Condition 7(i)(8) unless, at its request, it is first secured and/or indemnified and/or prefunded to its satisfaction.

Termination Costs and other provisions

- (A) For the purposes of the definitions of "**Early Cash Redemption Amount A**", "**Early Cash Redemption Amount B**", "**Adjusted Early Cash Redemption Amount**", "**Early Physical Redemption Amount**", "**Deliverable Amount**" and/or "**Adjusted Deliverable Amount**", the following shall apply:

"**Net Unpaid Amounts**" shall have the meaning set out in the Master Charged Agreement Terms (which shall, for these purposes, be expressed as a positive amount if payable by the Issuer or a negative amount if payable by the Swap Counterparty) and shall only be payable following termination of the Charged Agreement following the occurrence of a Mandatory Redemption Event.

"**Termination Costs**" means Termination Costs A or Termination Costs B, as specified as applicable in the Constituting Instrument.

If "Termination Costs A" is specified as applicable in the Constituting Instrument:

"**Termination Costs A**" means, in relation to the redemption of the Notes, the net amount payable upon termination (in whole or in part) of any Charged Agreement entered into in connection with the Notes where the parties thereto have elected "Market Quotation" (as such term is defined in the Charged Agreement) to apply (that shall be expressed as a positive amount if payable by the Issuer or a negative amount if payable to the Issuer), determined by the Determination Agent in its sole discretion on or as soon as reasonably practicable after the date of

designation of the relevant Early Redemption Date or any other date designated for redemption on or prior to the Maturity Date.

If "Termination Costs B" is specified as applicable in the Constituting Instrument:

"Termination Costs B" means the net amount payable upon termination (in whole or in part) of the Charged Agreement (which shall be expressed as a positive amount if payable by the Issuer or a negative amount if payable by the Swap Counterparty), which amount shall include, without limitation, any cost or loss to the Swap Counterparty in terminating or unwinding any hedging position in relation to any such Charged Agreement and shall be payable following termination of the Charged Agreement for any reason.

- (B) Where Termination Costs (or Net Unpaid Amounts, if Variable Standard 6(e) Termination applies and a Mandatory Redemption Event occurs) or any of the amounts described in the definitions of "Early Cash Redemption Amount A", "Early Cash Redemption Amount B", "Adjusted Early Cash Redemption Amount", "Early Physical Redemption Amount", "Deliverable Amount" or "Adjusted Deliverable Amount", as the case may be, are denominated in a currency which is different from the currency in which the Notes are denominated, such Termination Costs (or Net Unpaid Amounts, if Variable Standard 6(e) Termination applies and a Mandatory Redemption Event occurs) or such amounts shall be deemed to refer to the equivalent of such amounts in a currency in which the Notes are denominated as determined by the Determination Agent using an exchange rate determined by the Determination Agent as of the Cut-Off Date or such other date as the Determination Agent may determine in its sole discretion.
- (C) Where Notes have been presented or surrendered for delivery of Early Cash Redemption Amount A, Early Cash Redemption Amount B, Adjusted Cash Redemption Amount, Early Physical Redemption Amount, Deliverable Amount or Adjusted Deliverable Amount (as the case may be), and a Paying Agent has issued a receipt in respect of the same, such receipt shall for all purposes be treated as the Notes in respect of which it was issued and the holder of such receipt as the holder of the Notes represented by it until payment or delivery of the Early Cash Redemption Amount A, Early Cash Redemption Amount B, Adjusted Cash Redemption Amount, Early Physical Redemption Amount, Deliverable Amount or Adjusted Deliverable Amount, as the case may be.
- (D) Pursuant to the Trust Deed, the Trustee shall be deemed to have authorised the release from the security interests created thereby of any Charged Assets to be delivered pursuant to this Condition 7.

In the event of Notes becoming due for redemption under Condition 7(b), 7(c), 7(d), 7(e), 7(f), 7(g) or following a Non-Call Redemption or Condition 9 and the security interests becoming enforceable in accordance with the provisions of the Trust Deed (i) the Trustee may take such action as is provided in Condition 4(c) and (ii) the Early Redemption Amount may be less than the principal of the Notes being redeemed.

- (E) If it is contemplated that Charged Assets are to be sold under these Conditions, then the Realisation Agent shall be deemed to be instructed by the Issuer to arrange the sale of Charged Assets to such extent necessary in accordance with Condition 4(c).

(j) *Redemption at the option of the Noteholders or the Issuer*

- (1) Noteholder option

If this Condition 7(j)(1) is stated by the Constituting Instrument to be applicable, the Issuer shall, subject to compliance with all relevant laws, regulations and directives, at the option of the holder of any Note (the **"Noteholder Option"**), redeem such Note on the Noteholder

Optional Redemption Date (as defined below) at its Noteholder Optional Redemption Amount (which shall be the Scheduled Redemption Amount unless otherwise specified in the Constituting Instrument) (such amount being the "**Noteholder Optional Redemption Amount**"), together with interest accrued on the Notes subject to redemption to, but excluding, the Noteholder Optional Redemption Date.

To exercise such option the holder must deposit the relevant Note with any Paying Agent (in the case of Bearer Notes) or the Registrar or any Transfer Agent (in the case of Registered Notes) at their respective specified offices, together with a duly completed notice of redemption ("**Redemption Notice**") in the form obtainable from any Paying Agent (in the case of Bearer Notes) or from the Registrar or any Transfer Agent (in the case of Registered Notes) not more than 20 nor less than 10 days prior to the relevant date for redemption (and the Redemption Notice shall set forth the date fixed for redemption of the Notes under this Condition 7(j)(i) (the "**Noteholder Optional Redemption Date**")) and provided that, in the case of any Note represented by a Global Note or a Global Registered Certificate registered in the name of a nominee for Euroclear or Clearstream, Luxembourg or an Alternative Clearing System, the Noteholder must deliver such Redemption Notice together with an authority to Euroclear or Clearstream, Luxembourg or the relevant Alternative Clearing System (in each case, as appropriate) to debit such Noteholder's account accordingly and provided that, in the case of any Note represented by a Global Registered Certificate registered in the name of any other person, the Noteholder must deliver such Redemption Notice together with an instruction to such person to amend its records accordingly. No Note (or authority) so deposited may be withdrawn (except as provided in the Constituting Instrument) without the prior written consent of the Issuer.

Notwithstanding any provision to the contrary, if at any time prior to the redemption of the Notes pursuant to the exercise of the Noteholder Option, a Mandatory Redemption Event, an Other Early Redemption Event (if applicable), an Early Redemption Following Restructuring (if applicable), a Charged Assets Coupon Deferral Event (if applicable) or a Tax Event occurs, or a termination of the Charged Agreement or a Non-call Redemption (if applicable) occurs, and (in each case other than a Non-call Redemption) the Issuer gives notice of an Early Redemption Date pursuant to the Conditions, then any notice of redemption given pursuant to this Condition 7(j)(1) shall be deemed to be void and the Notes shall be redeemed pursuant to the provisions of the relevant Condition.

(2) Issuer option

If this Condition 7(j)(2) is stated by the Constituting Instrument to be applicable, the Issuer may, on giving the requisite notice (which shall be no less than 10 Business Days or no more than 20 Business Days unless otherwise specified in the Constituting Instrument) (and such notice shall set forth the date fixed for redemption of the Notes under this Condition 7(j)(2) (the "**Issuer Optional Redemption Date**")) to the Trustee and the Noteholders in accordance with Condition 14, and subject to compliance with all relevant laws, regulations and directives, at the option of the Issuer (the "**Issuer Option**"), redeem all or some of the Notes on the Issuer Optional Redemption Date specified in such notice at their Issuer Optional Redemption Amount (which shall be the Scheduled Redemption Amount unless otherwise specified in the Constituting Instrument) (such amount being the "**Issuer Optional Redemption Amount**"), together with interest accrued on the Notes subject to redemption to, but excluding, the Issuer Optional Redemption Date.

The Issuer is obliged to exercise its option pursuant to this Condition 7(j)(2) upon receipt of a valid Charged Agreement Option Notice, whereupon the Issuer shall redeem an outstanding principal amount of the Notes equal to the amount in which the notional amount of the Charged Agreement is to terminate, and it shall exercise such option not later than the Business Day immediately following receipt of the Charged Agreement Option Notice, with the Early Redemption Date being the same date as the Charged Agreement Option Effective Date (as defined below).

For these purposes:

"Charged Agreement Option Notice" means a notice delivered by the Swap Counterparty to the Issuer (with a copy to the Trustee and the Determination Agent) pursuant to the terms of the Charged Agreement requiring the Issuer to redeem the Notes in whole or in part; and

"Charged Agreement Option Effective Date" means, following delivery of a Charged Agreement Option Notice, the date on which the related partial or full termination of the Charged Agreement is to take effect.

Notice given by the Issuer to redeem Note(s) pursuant to this Condition 7(j)(2) may not be withdrawn (save with the prior written consent of the Trustee) and the Issuer shall be bound to redeem the Note(s) in accordance with the notice, this Condition 7(j)(2) and the Constituting Instrument. Following the delivery of a valid Charged Agreement Option Notice, on the Charged Agreement Option Effective Date, the security in respect of the relevant amount of Cash Collateral created pursuant to the Trust Deed shall be released, for application in or towards settlement of the relevant Issuer Optional Redemption Amount, and the notional amount of the Charged Agreement shall be reduced accordingly.

Notwithstanding any provision to the contrary, if at any time prior to the redemption of the Notes pursuant to the exercise of the Issuer Option, a Mandatory Redemption Event, an Other Early Redemption Event (if applicable) or an Early Redemption Following Restructuring (if applicable), a Charged Assets Coupon Deferral Event (if applicable) or a Tax Event occurs, or a termination of the Charged Agreement or a Non-call Redemption (if applicable) occurs, and (in each case other than a Non-call Redemption) the Issuer gives notice of an Early Redemption Date pursuant to the Conditions, then any notice of redemption given pursuant to this Condition 7(j)(2) shall be deemed to be void and the Notes shall be redeemed pursuant to the provisions of the relevant Condition.

In the case of a partial redemption of Notes (if permitted as specified in the Constituting Instrument):

- (A) when the Notes are in definitive form, if a partial redemption is specified in the Constituting Instrument to be effected by selection of whole Notes, the Notes to be redeemed will be selected in the manner indicated in the Constituting Instrument and notice of the Notes called for redemption will be published in accordance with Condition 14 not less than 5 days prior to the date fixed for redemption, or, if a partial redemption of Notes is specified in the Constituting Instrument to be effected by *pro rata* payment, the outstanding principal amount of each Note shall be redeemed in a proportion equal to the proportion which the outstanding principal amount of such Note bears to the aggregate outstanding principal amount of all the Notes at such time; and
- (B) when the Notes are represented by a Global Note or a Global Registered Certificate, if a partial redemption is specified in the Constituting Instrument to be effected by selection of whole Notes, the Notes to be redeemed will be selected in accordance with the rules of Euroclear or Clearstream, Luxembourg or the relevant Alternative Clearing System (in each case, as appropriate) or (in any case where a Global Registered Certificate is registered in the name of a person other than a nominee for Euroclear or Clearstream, Luxembourg or an Alternative Clearing System) in accordance with the rules and procedures established from time to time by such person or, if a partial redemption of Notes is specified in the Constituting Instrument to be effected by *pro rata* payment, each Note shall be redeemed in a proportion equal to the proportion which the outstanding principal amount of such Note bears to the aggregate outstanding principal amount of all the Notes at such time or by application of a pool factor, at the discretion of, and in accordance with the rules and procedures of, Euroclear or Clearstream, Luxembourg or the relevant Alternative Clearing System (in each case, as appropriate).

- (3) Consequence of exercise of options

As soon as reasonably practicable after the exercise of an option pursuant to this Condition 7(j), the Issuer shall instruct the Realisation Agent (with the prior written approval of the Trustee, where applicable) to arrange for and administer the sale of the Charged Assets or such part thereof as corresponds to the Notes to be redeemed in accordance with Condition 4(c).

(k) *Purchase*

Unless otherwise provided in the Constituting Instrument, the Issuer may, with the consent of each Swap Counterparty (if any), purchase Notes in the open market or otherwise at any price (provided, in the case of definitive Bearer Notes, that all unmatured Receipts and Coupons and unexchanged Talons appertaining thereto are attached or surrendered therewith). All Notes so purchased and any unmatured Receipts and Coupons and unexchanged Talons appertaining thereto attached to or surrendered with Bearer Notes may, if so specified in the Constituting Instrument, at the option of the Issuer or at the direction of the Swap Counterparty if so specified in the Constituting Instrument, be held by it (and subsequently re-issued or re-sold) or may be cancelled, in which latter case they may not be re-issued or re-sold. On any such purchase of such Notes by the Issuer, there will be a *pro rata* reduction in payments under the Charged Agreement (if any) and, so far as the denominations of the Charged Assets being realised or disposed of will allow, in the aggregate amount of the Charged Assets held by the Issuer, which transactions will leave the Issuer with no net liabilities in respect thereof; provided that any selection of individual assets comprised in the Charged Assets to be realised or disposed of shall be made at the discretion of the Issuer or at the direction of the Swap Counterparty if so specified in the Constituting Instrument. On any subsequent re-sale or re-issue of such Notes which the Issuer has not cancelled, either (i) there will be a *pro rata* increase in payments under the Charged Agreement (if any) and in the amount of the Charged Assets or (ii) a new Charged Agreement will be entered into and new Charged Assets will be acquired by the Issuer.

No interest will be payable with respect to a Note to be purchased pursuant to this Condition 7(k) in respect of the period from the previous date for the payment of interest on the Note, or, if none, the Issue Date to the date of such purchase.

If not all the Notes represented by a Registered Certificate are to be purchased, the Registrar shall forthwith upon the written request of the Noteholder concerned issue a new Registered Certificate in respect of the Notes which are not to be purchased and despatch such Registered Certificate to the Noteholder (at the risk of the Noteholder and to such address as the Noteholder may specify in such request).

When, in connection with the application of this Condition 7(k), it is necessary for the Issuer to sell the Charged Assets or any part thereof in the market, the Issuer shall instruct the Realisation Agent (with the prior written approval of the Trustee, where applicable) to arrange for and administer such sale in accordance with Condition 4(c).

The Trust Deed contains provisions for the release from the security in favour of the Trustee of the relevant Charged Assets (or part thereof) which correspond to the Series of Notes (or part thereof) to be redeemed by the Issuer pursuant to Condition 7(j) or purchased by the Issuer pursuant to Condition 7(k).

Whilst the Notes are represented by a Global Note or a Global Registered Certificate, the relevant Global Note or Global Registered Certificate will be endorsed to reflect the principal amount of Notes so redeemed or purchased.

(l) *Exchange of Series*

The Noteholders of a Series may together by notice in writing delivered to the Issuer (and copied to the Trustee), with the consent of each Swap Counterparty (if any) and subject to and in accordance with the provisions of the Constituting Instrument, request the Issuer to issue a further Series of Notes (the "**New Series**") in exchange for that existing Series of Notes (the "**Existing Series**") on such terms as may be specified in the Constituting Instrument or specified or approved by all such Noteholders. Any Charged Agreement in respect of such Existing Series so exchanged will be terminated and the security for the New Series will be that constituted by the Constituting

Instrument in relation to the Existing Series (other than a security interest in respect of any Charged Agreement so terminated) (except that the security for the New Series may be postponed in point of priority to any other security over the assets securing the Existing Series which may have attached to such assets since the creation of the security for the Existing Series) and, if appropriate, over a further Charged Agreement to be entered into in connection with the New Series, all in accordance with the terms of the Constituting Instrument and as previously approved in writing by the Trustee provided that if the Existing Series is rated by any Rating Agency at the request of the Issuer, it may only be exchanged for a New Series if each such Rating Agency shall have confirmed that it will assign the New Series the same rating as that assigned by such Rating Agency to the Existing Series (unless the relevant Rating Agency shall have waived such requirement or the rules of the relevant Rating Agency at the date of such exchange do not so require such similar rating).

If the Existing Series comprises Listed Notes and if it is intended that the New Series be Listed Notes, the Issuer shall notify the relevant stock exchange and any relevant competent authority and produce such Series Memorandum and produce such information as the rules of such stock exchange or competent authority may require in connection therewith.

If the Noteholders of a Series elect, pursuant to Condition 7(l), to exchange such Series for a New Series, upon termination of any Charged Agreement in respect of the Existing Series so exchanged, a shortfall may be suffered by the Noteholders.

(m) *Redemption by instalments*

Unless previously redeemed, purchased and cancelled as provided in this Condition 7, each Note which provides for "**Instalment Dates**" and "**Instalment Amounts**" will be partially redeemed on each Instalment Date at the specified Instalment Amount, whereupon the outstanding principal amount of such Note and its Scheduled Redemption Amount (unless specified otherwise in the Constituting Instrument) shall be reduced for all purposes by the Instalment Amount. If the Constituting Instrument requires the Instalment Amounts to be calculated, it will specify the Determination Agent appointed to determine such Instalment Amounts and the provisions of Condition 7(i) in relation to the calculation of Redemption Amounts shall apply *mutatis mutandis* in relation to the calculation of Instalment Amounts.

(n) *Cancellation*

All Notes of any Series which are redeemed (together, in the case of Bearer Notes, with such unmatured Receipts, Coupons and Talons as are attached thereto or are surrendered therewith at the time of such redemption) and all Receipts and Coupons which are paid and Talons which are exchanged shall, unless otherwise permitted by these Conditions or the Constituting Instrument, be cancelled forthwith by the Paying Agent or the Registrar or Transfer Agent, as the case may be, by or through which they are redeemed or paid. Each Paying Agent shall give all relevant details and forward cancelled Notes, Receipts, Coupons and Talons to the Principal Paying Agent or its designated agent. All Notes which are purchased by the Issuer pursuant to Condition 7(k) (together, in the case of Bearer Notes, with such unmatured Receipts, Coupons and Talons as are attached thereto or are surrendered therewith at the time of such purchase) and all Receipts and Coupons which are paid and Talons which are exchanged shall, unless otherwise permitted by the Conditions, be delivered to, and cancelled forthwith by, the Principal Paying Agent (in the case of Bearer Notes, Receipts, Coupons and Talons) or the Registrar or Transfer Agent (in the case of Registered Notes), as the case may be.

Each Transfer Agent shall give all relevant details and forward cancelled Notes to the Registrar or its designated agent.

8. Payments

(a) *Bearer Notes*

Payments of principal and interest in respect of Bearer Notes (other than Dual Currency Notes) will, subject as mentioned below, be made against presentation and surrender of the relevant Receipts (in the case of payment of Instalment Amounts other than payment of the last Instalment Amount

and provided that each Receipt is presented for payment together with its relative Note), Notes (in the case of all other payments of principal and, in the case of interest, as specified in Condition 8(e)(6)) or Coupons (in the case of interest, save as specified in Condition 8(e)(6)) at the specified office of any Paying Agent outside the United States by transfer to an account denominated in the currency in which such payment is due; provided that if the Notes are denominated in Yen, such payments will be made by transfer to a Yen account (in the case of payment to a non-resident of Japan, to a non-resident Yen account) maintained by the payee with, a bank in Tokyo.

No payments of principal, interest or other amounts due in respect of Bearer Notes (or the related Coupons, Talons or Receipts) will be made by mail to an address in the United States or by transfer to an account maintained by the Holder in the United States.

(b) *Registered Notes*

- (1) Payments of principal (which, for the purposes of this Condition 8(b), shall include the final Instalment Amount but not other Instalment Amounts) in respect of Registered Notes (other than Dual Currency Notes) will be made to the person shown on the register against presentation and surrender of the relevant Registered Certificate at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in Condition 8(a). To the extent that a Noteholder does not present (and, if applicable, surrender) the relevant Registered Certificate at least three Business Days prior to the Maturity Date or other date for redemption (as the case may be) none of the Issuer, the Trustee, the Registrar, the Principal Paying Agent, the Interest Calculation Agent, each Swap Counterparty (if any), the Determination Agent (if any), the Custodian or any other person shall be liable in respect of any delay in the payment of the relevant redemption monies to such Noteholder as a consequence thereof.
- (2) Interest (which, for the purposes of this Condition 8(b), shall include all Instalment Amounts other than the final Instalment Amount) on Registered Notes payable on any Interest Payment Date or, as the case may be, any Instalment Date will be paid to the persons shown on the Register at the close of business on the Clearing System Business Day immediately prior to the due date for payment, where "Clearing System Business Day" means Monday to Friday inclusive, except 25 December and 1 January (the "**Record Date**"). Upon application by the holder to the specified office of the Registrar or any Transfer Agent before the relevant Record Date, the payment of interest may be made by transfer to an account in the relevant currency maintained by the payee with a bank in the principal financial centre of the country of that currency.
- (3) Payments in Yen in respect of Registered Notes will be made in the manner specified in Condition 8(a).

(c) *Payments in the United States*

Notwithstanding the foregoing, if any Bearer Notes are denominated in U.S. dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if:

- (1) the Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due;
- (2) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts; and
- (3) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, adverse tax consequences to the Issuer.

(d) *Payments subject to fiscal laws; payments on Global Notes and Global Registered Certificates*

- (1) All payments are subject in all cases to (i) any applicable fiscal or other laws, regulations and directives but without prejudice to the provisions of Condition 17 (*Taxation*) and (ii) any

withholding or deduction required pursuant to an agreement described in Section 1471(b) of the United States Internal Revenue Code of 1986 or otherwise imposed pursuant to Sections 1471 through 1474 of the United States Internal Revenue Code of 1986, any current or future regulations or agreements thereunder, or any current or future official interpretations thereof, or any current or future laws, regulations, guidance or practices adopted pursuant to, or for the purposes of implementing, or pursuant to any agreement entered into pursuant to, or in connection with, any intergovernmental approach thereto or any intergovernmental agreement entered into in connection with the implementation of such Sections, in each case as the same may be amended from time to time ("**FATCA**"), in each case without prejudice to the provisions of Condition 17 (*Taxation*). No commissions or expenses shall be charged to the Noteholders in respect of such payments.

- (2) Payments of principal and interest in respect of Bearer Notes when represented by a Global Note and payments of principal in respect of Registered Notes when represented by a Global Registered Certificate will be made against presentation and surrender or, as the case may be, presentation of the Global Note or Global Registered Certificate at the specified office of the Principal Paying Agent or, as the case may be, the Registrar, subject in all cases to any fiscal or other laws, regulations and directives applicable to the Issuer, the Principal Paying Agent or, as the case may be, the Registrar or the bearer or registered owner of the Global Note or Global Registered Certificate or any person (so long as the Global Note or Global Registered Certificate is held on behalf of Euroclear, Clearstream, Luxembourg, DTC or an Alternative Clearing System) shown in the records of Euroclear, Clearstream, Luxembourg or DTC (other than each Clearing System to the extent that it is an account holder with the other Clearing System for the purpose of operating the "bridge" between the Clearing Systems) or such Alternative Clearing System as the holder of a particular principal amount of the Notes. A record of each payment so made will be endorsed on the relevant schedule to the Global Note or Global Registered Certificate by or on behalf of the Principal Paying Agent or, as the case may be, the Registrar which endorsement shall be *prima facie* evidence that such payment has been made.
- (3) The bearer of a Global Note or the registered owner of a Global Registered Certificate shall be the only person entitled to receive payments of principal and interest on the Global Note or Global Registered Certificate and the Issuer will be discharged by payment to the bearer or registered owner of such Global Note or Global Registered Certificate in respect of each amount paid. So long as the relevant Global Note or Global Registered Certificate is held by or on behalf of Euroclear, Clearstream, Luxembourg, DTC or an Alternative Clearing System, each of the persons shown in the records of Euroclear, Clearstream, Luxembourg, DTC or such Alternative Clearing System as the holder of a Note must look solely to Euroclear, Clearstream, Luxembourg, DTC or such Alternative Clearing System, as the case may be, for its share of each payment so made by the Issuer to the bearer or registered owner of the Global Note or Global Registered Certificate subject to and in accordance with the respective rules and procedures of Euroclear, Clearstream, Luxembourg, DTC or such Alternative Clearing System, as the case may be. So long as the relevant Global Registered Certificate is registered in the name of a person other than a nominee for Euroclear, Clearstream, Luxembourg, DTC or an Alternative Clearing System, each of the persons shown in the records of such person as the holder of a Note must look solely to such person for its share of each payment so made by the Issuer to such person, subject to the rules and procedures established from time to time by such person. No person other than the bearer of the Global Note or the registered owner of the Global Registered Certificate shall have any entitlement to payments due by the Issuer on the Notes.

(e) *Unmatured Receipts and Coupons and unexchanged Talons*

- (1) Fixed Rate Notes which are Bearer Notes, other than Notes which are specified in the Constituting Instrument to be Long Maturity Notes (being Fixed Rate Notes whose principal amount is less than the aggregate interest payable thereon on the relevant dates for payment of interest under Condition 6(a)) or Variable Coupon Amount Notes, shall be surrendered for payment together with all unexpired Coupons (if any) appertaining thereto, failing which an amount equal to the face value of each missing unexpired Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unexpired Coupon which the sum of principal so paid bears to the total principal due) will

be deducted from the Redemption Amount due for payment. Any amount so deducted will be paid in the manner mentioned above against surrender of such missing Coupon within a period of 10 years from the Relevant Date (as defined in Condition 7(h)(3)) for the payment of such Redemption Amount (whether or not such Coupon has become void pursuant to Condition 11).

- (2) Subject to the provisions of the Constituting Instrument, upon the due date for redemption of any Floating Rate Note, Long Maturity Note or Variable Coupon Amount Note which is a Bearer Note, unmatured Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.
- (3) Upon the due date for redemption of any Bearer Note, any unexchanged Talon relating to such Bearer Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.
- (4) Upon the due date for redemption of any Note which is redeemable in instalments, all Receipts relating to such Note having an Instalment Date falling on or after such due date (whether or not attached) shall become void and no payment shall be made in respect of them.
- (5) Where any Floating Rate Note, Long Maturity Note or Variable Coupon Amount Note which is a Bearer Note is presented for redemption without all unmatured Coupons and any unexchanged Talon relating to it, and where any Bearer Note is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.
- (6) If the due date for redemption of any Bearer Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Note. Interest accrued on a Registered Note from its Maturity Date in respect of which the Registered Certificate has been presented for payment of principal shall, save as otherwise provided in the Conditions, be paid in accordance with Condition 8(b). Interest accrued on a Zero Coupon Note from its Maturity Date shall be payable on redemption of such Zero Coupon Note against presentation thereof.

(f) *Non-business days*

Subject as provided in the Constituting Instrument, if any date for payment in respect of any Note, Receipt or Coupon is not a business day, the holder shall be entitled neither to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this paragraph, "**business day**" means a day on which banks are open for general business and carrying out transactions in the relevant currency in the relevant place of presentation and in the place where payment is to be made and in the cities referred to in the definition of Business Days set out in the applicable Constituting Instrument.

(g) *Dual Currency Notes*

The Constituting Instrument in respect of each Series of Dual Currency Notes shall specify the currency in which each payment in respect of the relevant Notes shall be made, the terms relating to any option relating to the currency in which any payment is to be made and the basis for calculating the amount of any relevant payment and the manner of payment thereof.

(h) *Talons*

On or after the Interest Payment Date for the final Coupon forming part of a coupon sheet issued in respect of any Note, the Talon forming part of such coupon sheet may be surrendered at the specified office of the Principal Paying Agent or such other Paying Agent as is notified to the Noteholders in exchange for a further coupon sheet (but excluding any Coupons which may have become void pursuant to Condition 11).

9. Events of Default

The Trustee at its discretion may, and if so directed (i) in writing by the holders of at least one-fifth in principal amount of the Notes of any Series then outstanding or (ii) by an Extraordinary Resolution of the Noteholders shall, subject to its being secured and/or indemnified and/or pre-funded to its satisfaction, give notice to the Issuer that the Notes of such Series are, and they shall accordingly immediately become, due and repayable at their Early Redemption Amount, calculated as provided by Condition 7(i) (or, in the case of Zero Coupon Notes of a Series (unless the Constituting Instrument provides otherwise or does not specify the Amortisation Yield and Day Count Fraction) at their Amortised Face Amount) on the Early Redemption Date, if any of the following events occurs and is continuing (each an "Event of Default"):

- (a) if default is made for a period of 14 days or more in the payment of any sum due in respect of such Notes or any of them (save as specifically provided in these Conditions); or
- (b) if the Issuer fails to perform or observe any of its other obligations under such Notes or the relevant Trust Deed and, if such failure is remediable, such failure continues for a period of 30 days (or such longer period as the Trustee may permit) next following the service by the Trustee on the Issuer of notice requiring the same to be remedied (and, for such purposes, any failure to perform or observe any obligation shall be deemed remediable notwithstanding that the failure results from not doing an act or thing by a particular time); or
- (c) if any order shall be made by any competent court or other authority or any resolution passed for the winding-up or dissolution of the Issuer, save for the purposes of amalgamation, merger, consolidation, reorganisation or other similar arrangement on terms approved by the Trustee.

While the Notes of any Series are represented by one or more Global Notes or Global Registered Certificates, the holder of any such Global Note or Global Registered Certificate (or two or more of them acting together, if more than one) representing one-fifth in principal amount of the Notes of such Series may exercise the right to request the Trustee to declare such Notes due and payable at the relevant amount by request in writing to the Trustee.

The Issuer has covenanted pursuant to the Trust Deed with the Trustee that, for so long as any Note remains outstanding, it shall provide a written confirmation to the Trustee annually that (as far as the Issuer is aware) no Event of Default or Potential Event of Default (each as defined in the Master Definitions) has occurred.

The Issuer has further covenanted in the Trust Deed that it will give notice in writing to the Trustee promptly upon becoming aware of the occurrence of any Event of Default or Potential Event of Default and, at the same time as giving such notice to the Trustee, shall procure that a copy of the same is sent to each Rating Agency which has (at the request of the Issuer) assigned a rating to the Notes.

10. Enforcement and Limited Recourse

Only the Trustee may pursue the remedies available under the Trust Deed, the Conditions and any Additional Charging Instrument to enforce the rights of the Noteholders of a Series or any Swap Counterparty (in their respective capacities as such) in the order of priority specified in the Constituting Instrument. Neither any holder of any Note or Receipt or Coupon (if any) of such Series nor any Swap Counterparty is entitled to proceed directly against the Issuer or the Collateral, unless the Trustee, having become bound to proceed in accordance with the terms of the relevant Trust Deed, any Additional Charging Instrument or the Conditions, fails or neglects to do so within a reasonable period and such failure or neglect is continuing. In no circumstances whatsoever (including without limitation after as well as before any court judgment or arbitral award) is the Trustee or the holder of any Note or Receipt or Coupon (if any) of such Series or any Swap Counterparty entitled to proceed against any assets of the Issuer other than the Collateral. After realisation of the security in respect of the Notes of such Series which has become enforceable and distribution of the net proceeds thereof in accordance with Condition 4 and save for lodging a claim in the liquidation of the Issuer initiated by another person or taking proceedings to obtain a declaration or judgment as to the obligations of the Issuer, neither the Trustee nor any Noteholder may take any further steps against the Issuer or any of its assets to recover any sum due but still unpaid and/or which may become due and/or otherwise howsoever arising in respect of the Notes or Receipts or Coupons (if any) or in respect of any other claim of whatever nature, nor may any Swap Counterparty with the benefit

of the security constituted by the Trust Deed take any further steps against the Issuer or any of its assets to recover any sum still due but unpaid and/or which may become due and/or otherwise howsoever arising in respect of the relevant Charged Agreement in respect of such Series or in respect of any other claim of whatever nature, and, in each case, all claims (including without limitation after as well as before any court judgment or arbitral award) against the Issuer in respect of each of such sums due but unpaid and/or which may become due and/or otherwise howsoever arising or claims asserted shall be extinguished. In particular (but without limitation), none of the Trustee or any Noteholder or any Swap Counterparty shall be entitled (save as aforesaid) to petition or take any other step for the winding-up of the Issuer in relation to such sums or otherwise, nor shall any of them have any claim in respect of any such sums or on any other account whatsoever over or in respect of any assets of the Issuer other than the Collateral. References in this Condition 10 to the Issuer shall (for the avoidance of doubt) mean the Cayman Issuer and/or (if applicable) the Japan Branch.

Such net proceeds may be insufficient (after meeting the expenses and remuneration of and any other amounts due to the Trustee or any receiver and the claims of any other person ranking ahead of the Swap Counterparty and the Noteholders in accordance with the order of payments described in Condition 4(d)) to pay all the amounts due to each Swap Counterparty and to pay to the Noteholders amounts equal to the Scheduled Redemption Amount and the interest which would otherwise accrue to the date of redemption. In such event, any shortfall shall be borne by the Noteholders and by each Swap Counterparty (if any) and any other persons entitled to the benefit of the security pursuant to the Constituting Instrument according to the order of priority specified in the Constituting Instrument, and the Early Redemption Amount will reflect such shortfall in the case of the Noteholders. None of the Trustee, the Share Trustee, the Administrator, each Swap Counterparty (if any), the Arranger, the Dealers or any other person has any obligation to any Noteholders for payment of any amount by the Issuer in respect of the Notes or Receipts or Coupons (if any).

11. Prescription

Claims against the Issuer for payment in respect of the Notes, Receipts, Coupons and Talons (if any) shall be prescribed and become void unless made within 10 years from the due date for payment.

12. Replacement of Notes, Receipts, Coupons and Talons

If any Bearer Note or Registered Note (in global or definitive form), Receipt, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed it may be replaced, subject to all applicable laws and stock exchange requirements, at the specified office of the Principal Paying Agent (in the case of Bearer Notes) and the Registrar or any Transfer Agent (in the case of Registered Notes), upon payment by the claimant of the out-of-pocket expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may require. Mutilated or defaced Notes, Receipts, Coupons or Talons must be surrendered before replacements will be issued. In the case of a mutilated or defaced Bearer Note (unless otherwise covered by such indemnity as the Issuer may require) any replacement Bearer Note will only have attached to it Receipts, Coupons and/or Talons corresponding to those attached to the mutilated or defaced Bearer Note surrendered for replacement.

13. Meetings of Noteholders, Modification, Waiver, Authorisation and Substitution

(a) Meetings of Noteholders, modifications and waiver

The Trust Deed provides for the convening of meetings of Noteholders of a Series to consider matters affecting their interests, including the modification by Extraordinary Resolution of the Conditions, the Trust Deed applicable to the Series and/or, if applicable, any Additional Charging Instrument or any agreement or deed constituted or created by the Constituting Instrument applicable to the Series. The quorum at any such meeting for passing an Extraordinary Resolution will be two or more persons holding or representing a majority in principal amount of the Notes of the relevant Series for the time being outstanding, or, at any adjourned such meeting, two or more persons being or representing Noteholders of the relevant Series, whatever the principal amount of the Notes so held or represented, except that, *inter alia*, the terms of the security and certain terms concerning the amount and currency and the postponement of the due dates of payment of the Notes or the Receipts or Coupons (if any) may be modified only by resolutions passed at a meeting the quorum at which shall be two or more persons holding or representing two-thirds, or, at any

adjourned such meeting, not less than one-third, in principal amount of the Notes for the time being outstanding. The holder of a Global Note or Global Registered Certificate representing the whole of a Series will be treated as being two persons for the purposes of any quorum requirements of a meeting of Noteholders. A resolution duly passed at any meeting of the Noteholders will be binding on all Noteholders of the relevant Series, whether or not they were present at such meeting. A resolution in writing signed by or on behalf of the holders of not less than 75 per cent. in principal amount of the Notes who for the time being are entitled to receive notice of the meeting shall for all purposes be as valid and effectual as an Extraordinary Resolution passed at a meeting of Noteholders of such Series. The Trustee may, without consulting the Noteholders, determine that an event which would otherwise be an Event of Default shall not be so treated but only if and insofar as in its opinion the interests of the Noteholders shall not be materially prejudiced thereby and only with the prior written consent of any Swap Counterparty (which consent may be granted or refused in the discretion of such Swap Counterparty) and provided, if the Notes are rated at the request of the Issuer by any Rating Agency, each such Rating Agency shall have been notified in advance thereof and shall have confirmed to the Trustee that its then current rating of the Notes will not be withdrawn or adversely affected thereby. The Trustee may also agree, without the consent of the Noteholders, but only with the prior written consent of any Swap Counterparty (which consent may be granted or refused in the discretion of such Swap Counterparty) and provided, if the Notes have been rated at the request of the Issuer by any Rating Agency, each such Rating Agency shall have been notified in advance thereof and shall have confirmed to the Trustee that the current rating of the Notes assigned by such Rating Agency will not be withdrawn or adversely affected thereby, to:

- (A) any modification to the Conditions, the Constituting Instrument, the Trust Deed, or any Additional Charging Instrument, the Agency Agreement, any Custody Agreement or any Charged Agreement applicable to the Series or any other agreement or deed constituted or created by the Constituting Instrument applicable to the Series which is of a formal, minor or technical nature or is made to correct a manifest or proven error or is made as a result of any comments raised by Euronext Dublin in connection with an application to list a Series of Notes, and
- (B) any other modification and any waiver or authorisation of any breach or proposed breach of any of the provisions of the Conditions, the Constituting Instrument, the Trust Deed or any Additional Charging Instrument, the Agency Agreement, any Custody Agreement or any Charged Agreement applicable to the Series, or any agreement or deed constituted or created by the Constituting Instrument applicable to the Series and to which the Issuer and/or the Trustee are a party or any accession by or substitution of any party to any such agreement or deed which in each case, in the opinion of the Trustee, is not materially prejudicial to the interests of the Noteholders of that Series and subject as provided by the relevant agreement or deed.

Any such modification, authorisation or waiver shall be binding on the Noteholders of that Series and the Swap Counterparty (if any) and, if the Trustee so requires, such modification shall be notified to the Noteholders of that Series in accordance with Condition 14 and Euronext Dublin (for so long as the Notes are listed thereon and Euronext Dublin so requires) as soon as practicable thereafter.

(b) *Authorisation*

The Issuer will not exercise any rights in its capacity as a holder of, or person beneficially entitled to or participating in, the Charged Assets or the property of the Issuer secured pursuant to the Deed of Floating Charge (if any) unless directed in writing to do so by the Trustee and, if such direction is given, the Issuer will act only in accordance with such directions. In particular, the Issuer will not attend or vote at any meeting of holders of, or other persons interested or participating in, or entitled to the rights or benefits (or a part thereof) of, the Charged Assets or the property of the Issuer secured pursuant to the Deed of Floating Charge (if any) or give any consent, waiver, indulgence, time or notification or make any declaration in relation to such Charged Assets or the property of the Issuer secured pursuant to the Deed of Floating Charge (if any) unless it shall have been so directed in writing by the Trustee. If any such persons aforesaid are at any time requested to give an indemnity to any person in relation to the Charged Assets or the property of the Issuer secured pursuant to the Deed of Floating Charge (if any) to assume obligations not otherwise assumed by them under any of the Charged Assets or the property of the Issuer secured pursuant

to the Deed of Floating Charge (if any) to give up, waive or forego any of their rights and/or entitlements under any of the assets secured pursuant to the relevant Trust Deed and/or, if applicable, any Additional Charging Instrument, or agree any composition, compounding or other similar arrangement with respect to any of the Additional Charged Assets or the property of the Issuer secured pursuant to the Deed of Floating Charge (if any) or (in each case) any part thereof, the Issuer will not give such indemnity or otherwise assume such obligations or give up, waive or forego such rights or agree such composition, compounding or other arrangement unless (i) it shall have been so requested by the Trustee and (ii) it shall have been counter-indemnified to its satisfaction.

The Trustee shall not be obliged to give any such direction or request to the Issuer in relation to the Charged Assets or the property of the Issuer secured pursuant to the Deed of Floating Charge (if any) unless it is instructed to do so by any Swap Counterparty or by the holders of at least one-fifth in principal amount of the Notes of the relevant Series or by an Extraordinary Resolution of the Noteholders of such Series and then only if and to the extent that the Trustee is indemnified to its satisfaction against any costs or liabilities which it may incur in doing so and the giving of such direction or request would not cause the Trustee or the Issuer to breach any applicable law, rule, regulation or directive. The Trustee shall be entitled to rely and act on any instruction given to it by any Swap Counterparty or such Noteholders or by Extraordinary Resolution and it shall not be liable to any person for the consequences of acting in accordance with such instruction. The Trustee shall not be responsible for monitoring or enquiring whether any rights have become exercisable by the Issuer in its capacity as the holder of any Charged Assets or the property of the Issuer secured pursuant to the Deed of Floating Charge (if any) and shall not be liable to any person for any failure by the Issuer to exercise those rights.

(c) *Substitution of Issuer*

The provisions of the Trust Deed permit the Trustee to agree, subject to such amendment of the Trust Deed, any Additional Charging Instrument, if applicable, and the other agreements and deeds constituted or created by the relevant Constituting Instrument and to the confirmation of any applicable Rating Agency that its then current rating of any existing Series will not be withdrawn or adversely affected thereby, and such other conditions as the Trustee may require including the transfer of security and subject to the prior written approval of each Swap Counterparty (if any), but without the consent of the Noteholders of any Series, to the substitution of any other company in place of the Issuer, or of any previous substituted company, as principal debtor under the relevant Trust Deed, any Additional Charging Instrument (if applicable) and the Notes, Receipts, Coupons and Talons (if any) in relation to any Series. In the case of such a substitution, the Trustee may agree, without the consent of the Noteholders of any Series, but subject to the prior written approval of each Swap Counterparty (if any), to a change of the law governing the Notes, the Receipts, the Coupons, the Talons (if any) and/or the Trust Deed and/or any Additional Charging Instrument and any other agreement or deed constituted or created by the Constituting Instrument with respect to the Series in question, provided that such change would not in the opinion of the Trustee be materially prejudicial to the interests of the Noteholders of the Series in question.

(d) *Entitlement of the Trustee*

In connection with the exercise of its powers, trusts, authorities or discretions (including but not limited to those in relation to any proposed modification, waiver, authorisation or substitution as aforesaid) the Trustee shall not have regard to the consequences of such exercise for individual Noteholders or of holders of any other notes or bonds, resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory and the Trustee shall not be entitled to require, nor shall any Noteholder be entitled to claim, from the Issuer any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders.

(e) *Swap Counterparty*

If, in relation to the relevant Series, there is one or more Charged Agreements, the Issuer shall not agree to any amendment or modification of the Conditions, the Trust Deed and/or any Additional Charging Instrument, if applicable, without first obtaining the written consent of the relevant Swap

Counterparty, which consent may be granted or refused in the discretion of such Swap Counterparty.

14. Notices

Notices to holders of Registered Notes will be posted to them at their respective addresses in the Register and deemed to have been given on the seventh day after the date of posting. Other notices to Noteholders will be valid if published in a leading daily newspaper (expected to be the *Financial Times*) having general circulation in London and (so long as the Notes are Listed Notes and the rules of any relevant stock exchange or competent authority so require) in any such other newspaper in which publication is so required by the rules of that stock exchange or competent authority or, if in the opinion of the Trustee such publication shall not be practicable, in an English language newspaper of general circulation in Europe approved by the Trustee. Any such notice (other than to holders of Registered Notes as specified above) shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made. Receiptholders, Couponholders and Talonholders will be deemed for all purposes to have notice of the contents of any notice given to the holders of Bearer Notes in accordance with this Condition.

So long as any Notes are represented by Global Notes or Global Registered Certificates notices in respect of those Notes may be given by delivery of the relevant notice to Clearstream, Luxembourg, Euroclear, DTC or the relevant Alternative Clearing System for communication by them to entitled account holders or (in the case of a Global Registered Certificate registered in the name of a person other than a nominee for Euroclear, Clearstream, Luxembourg, or an Alternative Clearing System) to such person for communication by it to those persons entered in the records of such person as being entitled to such notice, in each case, in substitution for publication in a leading daily newspaper with general circulation in London as aforesaid.

In addition, if and for so long as the Notes are listed on a stock exchange, all notices to holders of the Notes will be published in accordance with the rules of such stock exchange.

15. Indemnification of the Trustee

The Trust Deed provides for the indemnification of the Trustee and for its relief from responsibility for the validity, sufficiency and enforceability (which the Trustee has not investigated) of the security created over the Collateral, including provisions relieving it from taking proceedings to enforce repayment or from taking any action in accordance with the Constituting Instrument, the Deed of Floating Charge (if any) or any Additional Charging Instrument without being first secured and/or indemnified and/or pre-funded to its satisfaction. The Trustee is entitled to enter into business transactions with the Issuer, any issuer or guarantor of, or other obligor in respect of, the assets, rights and/or benefits comprising the Charged Assets, any Swap Counterparty, any Agent or any of their respective subsidiaries or associated companies without accounting to the holders of Notes, Receipts or Coupons for any profit resulting therefrom.

The Trust Deed provides that the Trustee is exempted from any liability in respect of any loss, diminution in value or theft of all or any part of the Collateral, from any obligation to insure all or any part of the Collateral (including, in either such case, any documents evidencing, constituting or representing the same or transferring any rights, benefits and/or obligations thereunder) or to procure the same to be insured and from any claim arising from all or any part of the Collateral (or any such document aforesaid) being held in an account with Euroclear, Clearstream, Luxembourg, DTC or an Alternative Clearing System in accordance with that system's rules or otherwise held in safe custody by the Custodian or a bank or other custodian selected by the Trustee or the Custodian.

The Trust Deed provides that the Trustee will be under no obligation or duty to act on any directions of the Noteholders or any Swap Counterparty (save as expressly provided in these Conditions, the Trust Deed and (save as aforesaid), in the event of any conflict between directions given by the Noteholders and by any Swap Counterparty, it shall be entitled to act in accordance only with the directions of the Noteholders unless such Swap Counterparty gives directions to the Trustee in connection with any failure to pay when due any amount at any time owing to such Swap Counterparty in respect of the relevant Charged Agreement or (as the case may be) the Agency Agreement or Custody Agreement the payment or repayment of which is secured pursuant to the Trust Deed, in which case the Trustee shall be entitled to act in accordance only with the directions of any Swap Counterparty (but without prejudice to the provisions concerning enforcement of the security under Condition 4(c) and the Constituting Instrument and to the

provisions concerning the application of moneys received by the Trustee in accordance with Condition 4(d) and the Trust Deed).

The Trust Deed provides that the Trustee shall not be bound or concerned to make any investigation into the creditworthiness of any Swap Counterparty or of any obligor under any Charged Assets or the validity or enforceability of any of the obligations of any Swap Counterparty, under any Charged Agreement or of any obligor under the terms of any Charged Asset (including, without limitation, whether the cashflows from any Charged Assets, the Charged Agreement and the Notes are matched).

16. Further Issues

Without prejudice to the issue by the Issuer of a Series of Notes comprising more than one Tranche or class of Notes in the manner contemplated by Condition 3, the Issuer shall be at liberty from time to time without the consent of the Noteholders to:

- (a) create and issue Series of Notes on terms that such Series shall not be consolidated with or form a single series with any other Series of Notes and will not be secured on the Collateral or underlying assets for or in relation to any such Series and will form a separate Series of Notes; or
- (b) create and issue notes ("**Further Notes**") on terms that such Further Notes shall be consolidated and form a single Series with the Notes of any existing Series (an "**Existing Series**") but so long as confirmation is obtained from any Rating Agency that has, at the request of the Issuer, assigned a rating to the Existing Series that its then current rating of the Notes of the relevant Existing Series will not be withdrawn or adversely affected thereby and provided that:
 - (i) the Further Notes together with the Notes of the Existing Series are secured on the Issuer's right, title and interest in and to the Charged Assets for the Existing Series (the "**Original Charged Assets**") and assets (the "**Further Charged Assets**") which are identical to the Original Charged Assets in every material respect and the principal amount of which bears the same proportion to the principal amount of the Further Notes as the proportion which the principal amount of the Original Charged Assets bears to the principal amount of the Notes of such Existing Series;
 - (ii) the Conditions of the Further Notes are identical to the Conditions of the Notes of such Existing Series except in respect of the first amount of interest (if any) in respect thereof;
 - (iii) the Further Notes are constituted by a constituting instrument supplemental to the Constituting Instrument in respect of the Notes of such Existing Series (the "**Further Constituting Instrument**");
 - (iv) if the Issuer has entered into a Charged Agreement (the "**Original Charged Agreement**") in respect of such Existing Series, the Issuer enters into an agreement or agreements supplemental to the Original Charged Agreement (the "**Further Charged Agreement**") extending the provisions of the Original Charged Agreement, *pro rata*, to cover amounts receivable in respect of the Further Charged Assets and the obligations of the Issuer in respect of the Further Notes;
 - (v) the security interests granted by the Issuer in such Further Constituting Instrument and/or any further Additional Charging Instrument executed pursuant to such Further Constituting Instrument are granted to the Trustee (i) for any Swap Counterparty (if there is a Further Charged Agreement) to secure the obligations of the Issuer under both the Original Charged Agreement and the Further Charged Agreement and (ii) for all of the Noteholders of the consolidated Series on the same basis as that applicable to the Noteholders of the Existing Series; and
 - (vi) in the case of an Existing Series which is rated by any Rating Agency at the request of the Issuer each rating (if any) of the Charged Assets and the Further Charged Assets at the date of issue of the Further Notes will be identical to the rating (if any) of the Original Charged Assets at the date of issue of the Notes of the Existing Series.

Upon any issue of Further Notes pursuant to this Condition 16, all references in these Conditions to "**Notes**", "**Charged Assets**", "**Constituting Instrument**" and "**Charged Agreement**" shall be deemed (where the context permits) to be references to the Notes and the Further Notes (including, where the context admits, any Receipts, Coupons or Talons appertaining thereto), the Original Charged Assets and the Further Charged Assets, the Constituting Instrument and the Further Constituting Instrument, and the Original Charged Agreement and the Further Charged Agreement, respectively. The Issuer may not, without the consent of the Noteholders by Extraordinary Resolution, issue any separate Series of Notes (other than Further Notes, as described above) which are secured on the assets comprised in the Collateral for the Notes of this Series except as otherwise specified (and then only to the extent so specified) in the Constituting Instrument relating to the Notes.

Further, if the Notes are rated (at the request of the Issuer) by any Rating Agency or Rating Agencies the Issuer undertakes to the Trustee, the Noteholders and each Swap Counterparty in relation to the Notes that it will promptly notify the Trustee and such Rating Agency or Rating Agencies of each Discrete Series to be created or issued by it or Alternative Investments to be entered into by it, prior to the creation or issue or entering into thereof and shall, prior to the creation or issue of such Discrete Series or the entering into of such Alternative Investments, obtain written confirmation from such Rating Agency or Rating Agencies that its then current rating of the Notes will not be adversely affected or withdrawn by the relevant Rating Agency or Rating Agencies as a result of the issue or creation of such Discrete Series or the entering into of such Alternative Investments (whether or not such Discrete Series or Alternative Investments are to be rated, at the request of the Issuer, by the relevant Rating Agency or Rating Agencies).

Unless specified to the contrary in the Constituting Instrument, the provisions of Condition 16(b) (i), (ii), (iv), (v), (vi) and (vii) shall apply, *mutatis mutandis*, to any subsequent re-sale or re-issue of the Notes contemplated and permitted by such Constituting Instrument pursuant to Condition 7(k).

17. Taxation

(a) *Withholding or deductions on payments in respect of the Notes, Receipts or Coupons*

All payments in respect of the Notes, Receipts or Coupons (if any) will be made without withholding or deduction for, or on account of, any present or future taxes, duties or charges of whatsoever nature unless the Issuer or the Registrar or any Transfer Agent or any Paying Agent is required by applicable law to make any such payment in respect of the Notes, Receipts or Coupons (if any) subject to any withholding or deduction for, or on account of, any present or future taxes, duties or charges of whatsoever nature. In that event, the Issuer or such Paying Agent, Registrar or Transfer Agent (as the case may be) shall make such payment after such withholding or deduction has been made and shall account to the relevant authorities for the amount so required to be withheld or deducted. Neither the Issuer, the Swap Counterparty, the Arranger nor any Paying Agent, Registrar or Transfer Agent will be obliged to make any additional payments to the Noteholders in respect of such withholding or deduction. Before any payment in respect of the Notes is made without any withholding or deduction, the Issuer (or the Principal Paying Agent or Registrar on its behalf) is entitled to request a Noteholder to provide, and the Noteholder shall be required to provide, the Issuer with such information as the Issuer (or such Agent) considers necessary for it to satisfy itself that any statutory requirements enabling it to pay amounts in respect of the Notes without any such deduction or withholding have been complied with. For the purposes of this Condition 17(a), any withholding on account of FATCA shall be deemed to be required by applicable law.

(b) *FATCA and Non-US FATCA Information*

Each Noteholder and beneficial owner of Notes shall provide the Issuer and/or any agent acting on behalf of the Issuer with such documentation, information or waiver as may be requested by the Issuer and/or any agent acting on behalf of the Issuer in order for the Issuer to comply with any obligations it, and/or any agent acting on its behalf, may have under (i) FATCA; or (ii) any current or future laws, regulations, guidance or practices adopted pursuant to, or for the purposes of implementing, or under any agreement entered into pursuant to or in connection with, any other intergovernmental agreement or standard for the automatic cross-border exchange of tax information, in each case as the same may be amended from time to time ((ii) being "**Non-US FATCA**").

(c) *Disclosure of Information*

Notwithstanding anything to the contrary in the Terms and Conditions of the relevant Notes, the applicable Constituting Instrument or any of the other Series Documents or otherwise, each Noteholder and beneficial owner of Notes hereby agrees to waive any provision of any applicable law, rules, regulations, guidance notes or practices that would, absent a waiver, prevent any of the Issuer, the Trustee, the Swap Counterparty and the Agents (the "**Transaction Parties**") (or any agent acting on behalf of any of them) from complying with its obligations under FATCA or Non-US FATCA and hereby consents to the disclosure by each Transaction Party (or any agent acting on its behalf) of such information relating to such Noteholder and/or beneficial owner and the relevant Notes (including payments thereunder) as such Transaction Party may determine is necessary or desirable to comply with FATCA or Non-US FATCA.

18. Governing Law and Submission to Jurisdiction

The Trust Deed, the relevant Constituting Instrument, the Agency Agreement, the Custody Agreement (if any) and the Charged Agreement (if any) and the Notes, the Receipts, the Coupons and the Talons (if any) and all other documents to which, by execution of the Constituting Instrument, the Issuer becomes a party in respect of a Series, and all non contractual obligations and any other matters arising from each of the foregoing are governed by and shall be construed in accordance with English law. Each Additional Charging Instrument (if any) shall be governed by and construed in accordance with the law specified therein. Each Charged Agreement (if any) shall be governed by and construed in accordance with English law, unless otherwise specified in the Constituting Instrument. The Issuer has submitted to the jurisdiction of the English courts for all purposes in connection with the Notes, the Receipts, the Coupons and the Talons (if any), the Trust Deed, the Agency Agreement and the Custody Agreement (if any) and by the Constituting Instrument has appointed an agent in London to accept service of process on its behalf in connection with service of proceedings in the English courts.

Save as specified otherwise in the Constituting Instrument, no person shall have any right to enforce any of the Conditions of the Notes under the Contracts (Rights of Third Parties) Act 1999.

SUMMARY OF PROVISIONS RELATING TO NOTES WHILE IN GLOBAL FORM

Initial Issue of Notes

Upon the initial deposit of a Global Note in respect of Bearer Notes with a common depository for Euroclear and Clearstream, Luxembourg and/or any other clearing system (an "**Alternative Clearing System**") (collectively, the "**Common Depository**") or registration of Registered Notes in the name of any nominee for Euroclear or Clearstream, Luxembourg or any Alternative Clearing System and delivery of the Global Registered Certificate to the Common Depository, Euroclear or Clearstream, Luxembourg or such Alternative Clearing System will credit each subscriber with a principal amount of Notes equal to the principal amount thereof for which it has subscribed and paid.

Unless otherwise provided in the relevant Constituting Instrument, Notes which are offered or sold to investors in the United States in reliance upon an exemption from the registration requirements of the Securities Act will be available either (i) in the form of fully registered definitive Notes or (ii) if the applicable Constituting Instrument so specifies, in the form of one or more Global Registered Certificates. See "Special Provisions Relating to Global Registered Certificates" below.

Relationship of Accountholders with Clearing Systems

Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg or any Alternative Clearing System as the holder of a Note represented by a Global Note or a Global Registered Certificate must look solely to Euroclear or Clearstream, Luxembourg or such Alternative Clearing System (as the case may be) for his share of each payment made by the Issuer to the bearer of such Global Note or the holder of such Global Registered Certificate, as the case may be, and in relation to all other rights arising under the Global Note or Global Registered Certificate, subject to and in accordance with the respective rules and procedures of Euroclear or Clearstream, Luxembourg or such Alternative Clearing System (as the case may be). Such persons shall have no claim directly against the Issuer in respect of payments due on the Notes for as long as the Notes are represented by such Global Note or Global Registered Certificate and such obligations of the Issuer will be discharged by payment to the bearer of such Global Note or the holder of such Global Registered Certificate, as the case may be, in respect of each amount so paid.

Exchange

Temporary Global Notes

Each Temporary Global Note will be exchangeable on or after its Exchange Date:

- (1) if the relevant Constituting Instrument indicates that such Temporary Global Note is issued in compliance with the C Rules or in a transaction to which TEFRA is not applicable, in whole, but not in part, for the Definitive Bearer Notes defined and described below; and
- (2) otherwise, in whole or in part upon certification as to non-U.S. beneficial ownership in the form set out in the Constituting Instrument for interests in a Permanent Global Note or, if so provided in the relevant Constituting Instrument, for Definitive Bearer Notes.

Each Temporary Global Note that is also an Exchangeable Bearer Note will be exchangeable for Registered Notes represented by one or more Registered Certificates only if and to the extent so specified in the relevant Constituting Instrument in accordance with the Conditions in addition to any Permanent Global Note or Definitive Bearer Notes for which it may be exchangeable.

Permanent Global Notes

Each Permanent Global Note will, if so provided in the relevant Constituting Instrument, be exchangeable, in whole but not in part, for definitive Bearer Notes either:

- (1) on request from the holder thereof (or from all of the holders acting together, if more than one) for definitive Bearer Notes upon not less than 60 days' prior written notice to the Issuer and the Issue Agent given (in the case of D Notes) not earlier than the relevant Exchange Date; or

- (2) if the Issuer would suffer a material disadvantage as a result of a change in laws or regulations (taxation or otherwise) or as a result of a change in the practice of Euroclear, Clearstream, Luxembourg or any Alternative Clearing System which would not be suffered were the Bearer Notes in definitive form and a certificate to such effect is given to the Trustee; or
- (3) at the option of the holder (or all of the holders acting together, if more than one) if:
 - (a) an Event of Default under Condition 9 of the Notes occurs and is continuing and payment is not made on due presentation of the Permanent Global Note for payment; or
 - (b) either Euroclear or Clearstream, Luxembourg or any other clearing system with which the Permanent Global Note is for the time being deposited is closed for business for a continuous period of 14 days (otherwise than by reason of holiday, statutory or otherwise) or announces an intention permanently to cease business or to cease to make its book-entry system available for settlement of beneficial interests in such Permanent Global Note or does in fact do either of such things and no alternative clearing system satisfactory to the Trustee and the Principal Paying Agent is available.

Global Registered Certificates

Each Global Registered Certificate will be exchangeable on or after its Exchange Date in whole but not in part for Registered Notes as represented by one or more Registered Certificates:

- (1) at the request of the registered holder (or all the registered holders acting together, if more than one), in whole but not in part, for definitive Registered Notes if:
 - (a) interests in the Global Registered Certificate are cleared through Euroclear or Clearstream, Luxembourg or an Alternative Clearing System and Euroclear or Clearstream, Luxembourg or such Alternative Clearing System in which the Global Registered Certificate is for the time being held is closed for business for a continuous period of 14 days (otherwise than by reason of holiday, statutory or otherwise) or announces an intention permanently to cease business or to cease to make its book-entry system available for settlement of beneficial interests in the Global Registered Certificate and no alternative clearing system, satisfactory to the Trustee and the Registrar is available; or
 - (b) an Event of Default under Condition 9 occurs and is continuing and payment is not made on due presentation of the Global Registered Certificate for payment; or
- (2) if the Issuer would suffer a material disadvantage as a result of a change in laws or regulations (taxation or otherwise) or as a result of a change in the practice of Euroclear, Clearstream, Luxembourg or any other clearing system in which the Global Registered Certificate is for the time being held which would not be suffered were the Notes represented by this Global Registered Certificate in definitive form and a certificate to such effect is given to the Trustee.

Delivery of Definitive Bearer Notes and Registered Notes Represented by one or more Registered Certificates

On or after any due date for exchange for Definitive Bearer Notes or Registered Notes represented by one or more Registered Certificates (a) the holder of a Global Note may surrender such Global Note and (b) the holder of any Global Registered Certificate may, in the case of exchange in full, surrender such Global Registered Certificate. In exchange for any Global Note or Global Registered Certificate, or the part thereof to be exchanged, the Issuer will in the case of (a) a Global Note exchangeable for Definitive Bearer Notes and (b) a Global Registered Certificate exchangeable for Registered Notes represented by one or more Registered Certificates, deliver, or procure the delivery of an equal aggregate principal amount of duly executed and authenticated Definitive Bearer Notes and/or Registered Notes represented by one or more Registered Certificates, as the case may be. Definitive Bearer Notes will be security printed and Registered Notes represented by one or more Registered Certificates will be printed in accordance with any applicable legal and stock exchange requirements in or substantially in the form set out in the relevant Constituting Instrument. On exchange in full of each Global Note, the Issuer will, if the holder so requests, procure that it is cancelled and returned to the holder together with the relevant Definitive Bearer Notes and/or Registered Notes represented by one or more Registered Certificates.

Exchange Date

"**Exchange Date**" means, in relation to a Temporary Global Note, the day falling after the expiry of 40 days after its issue date, but provided that if the Issuer issues any further notes pursuant to Condition 16 prior to the Exchange Date in relation to the Temporary Global Note representing the Notes with which such further notes shall be consolidated and form a single series, such Exchange Date may be extended to a date not less than 40 days after the date of issue of such further notes (but provided further that the Exchange Date for any Notes may not be extended to a date more than 160 days after their Issue Date). "**Exchange Date**" means in relation to a Permanent Global Note and a Global Registered Certificate, a day falling not less than 60 days after that on which the notice requiring exchange is given and, in any case, on which banks are open for business in the city in which the specified office of the Principal Paying Agent or, as the case may be, the Registrar is located and in the city in which the relevant clearing system is located.

Legend

Each Temporary Global Note, Permanent Global Note and any Bearer Note, Talon, Coupon and Receipt will bear the following legend:

"Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the U.S. Internal Revenue Code of 1986, as amended."

The sections of the Code referred to in the legend provide that a United States taxpayer, with certain exceptions, will not be permitted to deduct any loss, and will not be eligible for capital gains treatment with respect to any gain realised, on any sale, exchange or redemption of Bearer Notes or any related Coupons.

Amendment to Conditions

Each Temporary Global Note, Permanent Global Note and Global Registered Certificate will contain provisions that apply to the Notes that they represent, some of which will modify the effect of the Terms and Conditions of the Notes set out in this Programme Memorandum. The following is a summary of those provisions:

Payments

Except where a date for payment of interest on any Bearer Note occurs while such Bearer Note is represented by a Temporary Global Note, in which case the related interest payment will be made against presentation of the Temporary Global Note only to the extent that certification of non-U.S. beneficial ownership (in the form set out in the Temporary Global Note) has been received by Euroclear or Clearstream, Luxembourg, no payment falling due after the Exchange Date will be made on any Temporary Global Note unless exchange for an interest in a Permanent Global Note or for Definitive Bearer Notes is improperly withheld or refused. All payments in respect of a Permanent Global Note will be made against presentation or surrender, as the case may be, of the Permanent Global Note. All payments in respect of a Global Registered Certificate will be made against, in the case of principal only, presentation or surrender, as the case may be, of the Global Registered Certificate. A record of each payment so made will be endorsed on each Global Note, which endorsement will be prima facie evidence that such payment has been made in respect of the Bearer Notes represented thereby.

Prescription

Claims against the Issuer for payment in respect of Notes that are represented by a Temporary Global Note, Permanent Global Note or Global Registered Certificate will become void unless it is presented for payment within a period of ten years from the due date for payment.

Meetings

The holder of a Temporary Global Note, a Permanent Global Note or of the Notes represented by a Global Registered Certificate shall (unless such Temporary Global Note, Permanent Global Note or Global Registered Certificate represents only one Note) be treated as being two persons for the purposes of any quorum requirements of a meeting of Noteholders and, at any such meeting, the holder of a Temporary

Global Registered Note or a Permanent Global Note or of the Notes represented by a Global Certificate shall be treated as having one vote in respect of each Authorised Denomination of Notes for which such Global Registered Note may be exchanged. All holders of Registered Notes are entitled on a poll to one vote in respect of each Note comprising such Noteholders' holding, whether or not represented by a Global Registered Certificate.

Cancellation

Cancellation of any Bearer Note represented by a Permanent Global Note that is required by the Conditions to be cancelled (other than upon its redemption) will be effected by reduction in the principal amount of the relevant Permanent Global Note.

Issuer's Options

Any option of the Issuer provided for in the Conditions of any Bearer Notes while such Bearer Notes are represented by a Permanent Global Note shall be exercised by the Issuer giving notice to the Noteholders within the time limits set out in, and containing the information required by, the Conditions, except that the notice shall not be required to contain the certificate numbers of Bearer Notes drawn in the case of a partial exercise of an option and accordingly no drawing of Bearer Notes shall be required. In the event that any option of the Issuer is exercised in respect of some but not all of the Bearer Notes of any Series, the rights of accountholders with a clearing system in respect of the Bearer Notes will be governed by the standard procedures of Euroclear, Clearstream, Luxembourg or an Alternative Clearing System (as the case may be).

Noteholders' Options

Any option of the Noteholders provided for in the Conditions of any Bearer Notes while such Bearer Notes are represented by a Permanent Global Note may be exercised by the holder of the Permanent Global Note giving notice to a Paying Agent or other relevant person within the time limits relating to the deposit of Bearer Notes with a Paying Agent set out in the Conditions substantially in the form of the notice available from any Paying Agent, except that the notice shall not be required to contain the certificate numbers of the Bearer Notes in respect of which the option has been exercised, and stating the principal amount of Bearer Notes in respect of which the option is exercised and at the same time presenting the Permanent Global Note to the Principal Paying Agent, or to a Paying Agent acting on behalf of the Principal Paying Agent, for notation.

Trustee's Powers

In considering the interests of Noteholders while any Global Note is held on behalf of, or Registered Notes are registered in the name of any nominee for, a clearing system, the Trustee may have regard to any information provided to it by such clearing system or its operator as to the identity (either individually or by category) of its accountholders with entitlements to such Global Note or Registered Notes and may consider such interests as if such accountholders were the holders of the Notes represented by such Global Note or Global Registered Certificate (in the case of Registered Notes).

Notices

So long as any Bearer Notes are represented by a Global Note and such Global Note is held on behalf of a clearing system, notices to the holders of Bearer Notes of that Series may be given by delivery of the relevant notice to that clearing system for communication by it to entitled accountholders in substitution for publication as required by the Conditions or by delivery of the relevant notice to the holder of the Global Note.

Partly-Paid Notes

The provisions relating to Partly-Paid Notes are not set out in this Programme Memorandum, but will be contained in the relevant Constituting Instrument and also in the relevant Global Notes.

THE CHARGED ASSETS SALE AGREEMENT

By executing the Constituting Instrument, the Issuer may enter into a charged assets sale agreement in respect of a Series (the "**Sale Agreement**") with the Seller named as such in the Constituting Instrument on the terms set out in the master charged asset sale terms as specified in the relevant Constituting Instrument (the "**Master Charged Assets Sale Terms**"), as amended, restated, modified and/or supplemented by the relevant Constituting Instrument, which Constituting Instrument shall incorporate by reference the provisions of the Master Charged Assets Sale Terms. Pursuant to the Sale Agreement, the Charged Assets relating to each Series of Notes or Alternative Investments will be purchased or acquired by the Issuer for delivery (subject as provided below) on the Issue Date of the Notes or Alternative Investments.

Unless otherwise specified in the applicable Series Memorandum, pursuant to the Sale Agreement in selling the Charged Assets, the Seller makes no representation or warranty as to the creditworthiness of any obligor in respect thereof, or as to whether the obligations of any obligor in respect thereof are valid, binding or enforceable or as to whether any event of default or potential event of default has or may have occurred with respect thereto.

Copies of the Master Charged Assets Sale Terms and the Constituting Instrument which will constitute the relevant Sale Agreement in relation to each Series will be available for inspection at the registered office of the Issuer during business hours on any weekday (Saturdays, Sundays and public holidays excepted) and by electronic means with the Trustee, the Paying Agents and the Registrar and the Transfer Agents (in each case, if any) with respect to the Notes of the relevant Series.

CUSTODY ARRANGEMENTS

Unless otherwise specified in the applicable Series Memorandum and/or the applicable Constituting Instrument, the party to the Constituting Instrument named as "**Custodian**" will act as the custodian of the Issuer with respect to the Charged Assets relating to the relevant Series or Tranche of Notes and any Collateral posted by the Swap Counterparty under any credit support document entered into between the Issuer and such Swap Counterparty on the terms set out in the master custody terms as specified in the Constituting Instrument (the "**Master Custody Terms**") as amended, restated, modified and/or supplemented by the Constituting Instrument (the "**Custody Agreement**").

The Custody Agreement will provide that (unless otherwise directed by the Trustee in accordance with the provisions of the Constituting Instrument and/or, if applicable, any relevant Additional Charging Instrument) the Charged Assets that are delivered to the Custodian will be held in safe custody, on behalf of the Issuer, subject to the security constituted by or pursuant to such Constituting Instrument and/or, if applicable, the relevant Additional Charging Instrument and to the provisions of the relevant Custody Agreement relating to release of the Charged Assets from the security constituted by such Constituting Instrument and/or, if applicable, the relevant Additional Charging Instrument.

Cash held on behalf of the Issuer by the Custodian (whether as Charged Assets, or received as proceeds or other payments in respect of the Charged Assets or otherwise) will, save in the limited circumstances contemplated in the Master Custody Terms, be held by the Custodian as banker and not as a trustee under the Client Money Rules. If the Custodian fails (as such term is used in the Client Money Rules), the Client Money and Distribution and Transfer will not apply to such cash and so the Issuer will not be entitled to share in any distribution under the Client Money Distribution and Transfer Rules.

There are limited circumstances provided for in the Master Custody Terms in which the Custodian may hold certain sums as client money for the benefit of the Issuer in accordance with the Client Money Rules and that these circumstances are limited to the requirements under the Client Asset Rules pursuant to which the Custodian may be required to segregate certain sums from the Custodian's own funds as client money in certain cases where the Custodian has identified a shortfall in the number of client securities held by or for it. In respect thereof such segregation will (i) continue until such time as the relevant shortfall has been resolved, at which point the Custodian will re-appropriate such money, (ii) such client money will be held in accordance with the Client Money Rules on behalf of the Issuer, to the extent that the Issuer is affected by the relevant shortfall and (iii) in the absence of the Custodian's failure, such segregation does not create a cash entitlement of the Issuer against the Custodian. If the Custodian fails, the Client Money Distribution Rules will apply to any such money held as client money by the Custodian. Any such client money will be held with a third party bank or banks and the Custodian does not accept any liability for any default or delay in the distribution of client money in the event of the failure of a bank holding client money on the Custodian's behalf. If a bank with which the Custodian holds any client money fails at the same time as the Custodian fails, the Issuer may share in any shortfall of client money on a *pro rata* basis.

Copies of the Master Custody Terms and the Constituting Instrument which will constitute the Custody Agreement in relation to each Series will be available for inspection at the registered office of the Issuer during business hours on any weekday (Saturdays, Sundays and public holidays excepted) and by electronic means with the Trustee, the Paying Agents and the Registrar and the Transfer Agents (in each case, if any) with respect to the Notes of the relevant Series.

DESCRIPTION OF CHARGED AGREEMENTS

Unless otherwise specified in the applicable Series Memorandum, the Issuer will, on the Issue Date of the Notes of a Series, enter into one or more swap agreements with the party or parties to the Constituting Instrument named as a "**Swap Counterparty**" on the terms set out in the master charged agreement terms as specified in the Constituting Instrument (the "**Master Charged Agreement Terms**"), as amended, modified and/or supplemented by the Constituting Instrument (each a "**Charged Agreement**"). A Charged Agreement may comprise any transaction (i) which is a rate swap transaction, swap option, basis swap, forward rate transaction, commodity swap, commodity option, equity or equity index swap, equity or equity index option, bond option, interest rate option, foreign exchange transaction, cap transaction, floor transaction, collar transaction, currency swap transaction, cross-currency rate swap transaction, currency option, credit protection transaction, credit swap, credit default swap, credit default option, total return swap, credit spread transaction, repurchase transaction, reverse repurchase transaction, buy/sell-back transaction, securities lending transaction, or forward purchase or sale of a security, commodity or other financial instrument or interest (including any option with respect to any of these transactions) or (ii) which is a type of transaction that is similar to any transaction referred to in (i) that is currently, or in the future becomes, recurrently entered into in the financial markets (including terms and conditions incorporated by reference in such agreement) and that is a forward, swap, future, option or other derivative on one or more rates, currencies, commodities, equity securities or other equity instruments, debt securities or other debt instruments, or economic indices or measures of economic risk or value and any combination of the foregoing transactions, under which the relevant Swap Counterparty may make certain payments and/or deliveries of cash, securities or other assets to the Issuer in respect of amounts due or deliveries to be made in respect of the Notes, Receipts and Coupons (if any) and the Issuer may make certain payments and/or deliveries of securities or other assets to the Swap Counterparty corresponding to sums or other deliveries receivable by the Issuer in respect of the Charged Assets, all as more particularly described in the applicable Series Memorandum and/or the applicable Constituting Instrument. A Charged Agreement may contain provisions requiring the relevant Swap Counterparty or the Issuer to deposit security, collateral or margin in certain circumstances all as may be more particularly described in the applicable Series Memorandum and/or the applicable Constituting Instrument.

A Charged Agreement for a Series will, unless otherwise specified in the applicable Series Memorandum, terminate on the Maturity Date of the Notes of the relevant Series, unless terminated earlier in accordance with the terms thereof.

The Charged Agreement (if any) for a Series will (unless otherwise specified in the applicable Series Memorandum) incorporate the Master Charged Agreement Terms which comprise a swap agreement incorporating the International Swaps and Derivatives Association, Inc. form of Master Agreement (2002 Edition) and a Schedule thereto and be supplemented by one or more letters of confirmation created by the Constituting Instrument for such Series.

Early Termination of the Charged Agreement

The Charged Agreement may, unless otherwise specified in the applicable Series Memorandum and/or the applicable Constituting Instrument, be terminated early on the occurrence of one of the Events of Default or Termination Events (each as defined in the Charged Agreement) specified in the Charged Agreement.

Unless otherwise specified in the applicable Series Memorandum and/or the applicable Constituting Instrument, on the occurrence of a termination of the Charged Agreement, a termination payment may be due to be paid to the Issuer by the relevant Swap Counterparty or to the relevant Swap Counterparty by the Issuer, which amount will be determined by the relevant Swap Counterparty except where the relevant Swap Counterparty is the Defaulting Party (as defined in the Charged Agreement), in which case it will be determined by the Issuer.

Partial Termination of the Charged Agreement

Unless otherwise specified in the applicable Series Memorandum and/or the applicable Constituting Instrument, a Charged Agreement may be terminated in part or in whole if the relevant Swap Counterparty receives a notice that some (or all) of the Notes of the relevant Series are to be redeemed by the Issuer, purchased by the Issuer or exchanged for Notes of a New Series pursuant to the Terms and Conditions of the Notes. In such circumstances (unless otherwise specified in the applicable Series Memorandum and/or the applicable Constituting Instrument) the liability of the Issuer and the relevant Swap Counterparty to

make payments and/or deliveries to the other pursuant to the Charged Agreement after the date of such redemption, purchase or exchange will, in the case of any redemption or purchase, be terminated, in the case of any redemption or purchase, to the extent and in the amounts that are equivalent to (in the case of the Issuer) the amounts which would have been received by the Issuer on the Charged Assets to be released from the charges granted in favour of the Trustee in or pursuant to the relevant Constituting Instrument consequent on such redemption and (in the case of the relevant Swap Counterparty) the amount which would have been payable on the Notes so redeemed and, in the case of an exchange, will be terminated in whole. Upon any partial termination of the Charged Agreement pursuant to the foregoing a determination of an Early Termination Amount (as defined in the Charged Agreement) will be made by the relevant Swap Counterparty with respect to the portion of the Charged Agreement which is terminated only (unless otherwise specified in the applicable Series Memorandum and/or Constituting Instrument).

If a Charged Agreement is terminated prior to its scheduled termination date in accordance with its terms then, save as otherwise provided in the relevant Charged Agreement, the security constituted by the relevant Constituting Instrument and/or any Additional Charging Instrument may become enforceable.

Copies of the Master Charged Agreement Terms and the Constituting Instrument which will constitute the Charged Agreement in relation to each Series will be available for inspection at the registered office of the Issuer during business hours on any weekday (Saturdays, Sundays and public holidays excepted) and by electronic means with the Trustee, the Paying Agents and the Registrar and the Transfer Agents (in each case, if any) with respect to the Notes of the relevant Series.

DESCRIPTION OF ARLO II LIMITED

General

ARLO II Limited, a Cayman Islands exempted company incorporated with limited liability, was incorporated on 31 October 2002 under the Companies Act (2002 Revision) (now the 2021 Revision) of the Cayman Islands (with company registration number CR-120855). The registered office of the Issuer is at PO Box 1093, Queensgate House, Grand Cayman, KY1-1102, Cayman Islands (telephone no: +1 345 945 7099).

The Issuer has been established as a special purpose vehicle for the purpose of issuing asset backed securities. As specified in Clause 3 of its Memorandum of Association, the objects of the Issuer are unrestricted. However, the Issuer has undertaken no business other than the establishment of the Programme and the issue of Notes and the making of Alternative Investments (if any) and the entry into of agreements related thereto and has covenanted and will covenant in connection with each issue of Notes and Alternative Investments to that effect. The Issuer does not and will not have any substantial assets other than the Charged Assets for the Notes and Alternative Investments and will not have any substantial liabilities other than in connection with the Notes and Alternative Investments. Cash flow derived from the Collateral securing the Notes and the Alternative Investments will be the Issuer's only source of funds to fund payments in respect of the Notes and the Alternative Investments.

MaplesFS Limited (previously named Maples Finance Limited) (the "**Administrator**"), a Cayman Islands company licensed to carry on business as a trust company under the Banks and Trust Companies Act (2021 Revision) of the Cayman Islands, acts as the administrator of the Issuer. The office of the Administrator serves as the general business office and the registered office of the Issuer. Through such office and pursuant to the terms of the administration agreement dated 25 February 2003 and entered into between the Issuer and the Administrator (the "**Administration Agreement**"), the Administrator performs in the Cayman Islands various management functions on behalf of the Issuer, including communications with shareholders and the general public, and the provision of certain clerical, administrative and other services until termination of the Administration Agreement. In consideration of the foregoing, the Administrator receives various fees and other charges payable by the Issuer at rates agreed upon from time to time plus expenses. The terms of the Administration Agreement provide that either party may terminate the Administration Agreement by giving at least 14 days' notice in writing to the other party at any time within 12 months of the happening of any of certain stated events, including any breach by the other party of its obligations under the Administration Agreement. In addition, either party may terminate the Administration Agreement at any time by giving at least three months' notice in writing to the other party, provided that no such termination shall take effect unless the Issuer has appointed a successor Administrator before the end of the notice period. If the Issuer does not do so, the Administrator may appoint its own successor.

The Administrator will be subject to the overview of the Issuer's Board of Directors.

The Administrator's principal office is PO Box 1093, Boundary Hall, Cricket Square, Grand Cayman, KY1-1102, Cayman Islands.

Maples Compliance Services (Cayman) Limited provides certain services to the Issuer in connection with the Issuer's obligations under the Cayman AML Regulations (in such capacity, the "**AML Services Provider**") pursuant to the terms of an AML Services Agreement entered into between the Issuer and the AML Services Provider (the "**AML Services Agreement**"). Under the terms of the AML Services Agreement, the AML Services Provider, either by itself or through an affiliate, provides the services prescribed under the AML Services Agreement and will do so until termination of the AML Services Agreement. In consideration of the foregoing, the AML Services Provider receives various fees payable by the Issuer at rates agreed upon from time to time, plus expenses. The terms of the AML Services Agreement provide that either the Issuer or the AML Services Provider may terminate such agreement upon the occurrence of certain stated events, including any breach by the other party of its obligations under such agreement. In addition, the AML Services Agreement provides that either party shall be entitled to terminate such agreement by giving at least one month's notice in writing to the other party.

The AML Services Provider will be subject to the overview of the Issuer's Board of Directors.

The AML Services Provider is an affiliate of the Administrator and its principal office is PO Box 1093, Boundary Hall, Cricket Square, Grand Cayman, KY1-1102, Cayman Islands.

The Issuer's authorised share capital consists of 50,000 voting shares, U.S.\$1.00 par value per share (the "**Issuer Ordinary Shares**"), of which 1,000 have been issued (being all of the Issuer Ordinary Shares which have been issued) to MaplesFS Limited (previously named Maples Finance Limited) (the "**Share Trustee**"), which holds them pursuant to the terms of a declaration of trust dated 25 February 2003 (the "**Declaration of Trust**") in trust until the Termination Date (as defined in the Declaration of Trust) and may only dispose or otherwise deal with such Issuer Ordinary Shares with the approval of the Trustee for so long as any Note or Alternative Investment is outstanding. Prior to the Termination Date, the trust is an accumulation trust but the Share Trustee has power, with the consent of the Trustee, to benefit Noteholders or parties to Alternative Investments or the Trustee or Qualified Charities (as defined in the Declaration of Trust). It is not anticipated that any distribution will be made whilst any Note or Alternative Investment is outstanding. Following the Termination Date, the Share Trustee will wind up the trust and make a final distribution to charity. The Share Trustee has no beneficial interest in, and derives no benefit (other than its fee (if any) for acting as Share Trustee) from, its holding of such Issuer Ordinary Shares.

The Issuer's Articles of Association provide that the Board of Directors of the Issuer will consist of at least one Director.

Business

So long as any of the Notes or Alternative Investments remain outstanding, the Issuer will be subject to the restrictions set out in Condition 5 and each Constituting Instrument.

The Issuer has, and will have, no material assets other than the sum of U.S.\$1,000 representing the proceeds of its issued share capital, such fees (as agreed) per Series payable to it in connection with the issue of Notes or the entering into of Alternative Investments or the purchase, sale or incurring of other obligations and any Collateral and any other assets on which the Notes or Alternative Investments are secured. Save in respect of the fees generated in connection with each issue of Notes or entering into of Alternative Investments, any related profits and the proceeds of any deposits and investments made from such fees or from amounts representing the proceeds of the Issuer's issued share capital, the Issuer will not accumulate any surpluses.

The Notes and Alternative Investments are obligations of the Issuer alone and not of, or guaranteed in any way by, the Administrator, the Share Trustee or the Trustee. Furthermore, they are not obligations of, or guaranteed in any way by, Barclays Bank PLC or any Swap Counterparty or any Agent.

Directors and Company Secretary

The Directors of the Issuer are as follows:

Carrie Bunton

Edmund King

Both the above are officers and/or employees of MaplesFS Limited.

The business address of all of the Directors is PO Box 1093, Boundary Hall, Cricket Square, Grand Cayman, KY1-1102, Cayman Islands.

The Company Secretary is Maples Secretaries (Cayman) Limited (previously named Maples Secretaries Limited).

Financial Statements

Since its date of incorporation, no financial statements of the Issuer have been prepared. The Issuer is not required by Cayman Islands law, and does not intend, to publish any financial statements. The Issuer is required to and will provide the Trustee with written confirmation, on an annual basis, that, as far as the Issuer is aware, no Event of Default or event which, with the giving of notice or certification and/or lapse of time and/or the forming of an opinion, would become an Event of Default has occurred or, if one has, specifying the same.

Floating Charge

The obligations of ARLO II Limited in relation to all Series of Notes and Alternative Investments the Trustee in respect of which is BNY Corporate Trustee Services Limited are secured pursuant to a Deed of Floating Charge.

DESCRIPTION OF ARLO XII LIMITED

General

ARLO XII Limited, a Cayman Islands exempted company incorporated with limited liability, was incorporated on 21 August 2008 under the Companies Act (2007 Revision) (now the 2021 Revision) of the Cayman Islands (with company registration number MC-216188). The registered office of the Issuer is at PO Box 1093, Queensgate House, Grand Cayman, KY1-1102, Cayman Islands (telephone no: +1 345 945 7099).

The Issuer has been established as a special purpose vehicle for the purpose of issuing asset backed securities. As specified in Clause 3 of its Memorandum of Association, the objects of the Issuer are unrestricted. However, the Issuer has undertaken no business other than the establishment of the Programme and the issue of Notes and the making of Alternative Investments (if any) and the entry into of agreements related thereto and has covenanted and will covenant in connection with each issue of Notes and Alternative Investments to that effect. The Issuer does not and will not have any substantial assets other than the Charged Assets for the Notes and Alternative Investments and will not have any substantial liabilities other than in connection with the Notes and Alternative Investments. Cash flow derived from the Collateral securing the Notes and the Alternative Investments will be the Issuer's only source of funds to fund payments in respect of the Notes and the Alternative Investments.

MaplesFS Limited (previously named Maples Finance Limited) (the "**Administrator**"), a Cayman Islands company licensed to carry on business as a trust company under the Banks and Trust Companies Act (2021 Revision) of the Cayman Islands, acts as the administrator of the Issuer. The office of the Administrator serves as the general business office and the registered office of the Issuer. Through such office and pursuant to the terms of the administration agreement dated 15 September 2008 and entered into between the Issuer and the Administrator (the "**Administration Agreement**"), the Administrator performs in the Cayman Islands various management functions on behalf of the Issuer, including communications with shareholders and the general public, and the provision of certain clerical, administrative and other services until termination of the Administration Agreement. In consideration of the foregoing, the Administrator receives various fees and other charges payable by the Issuer at rates agreed upon from time to time plus expenses. The terms of the Administration Agreement provide that either party may terminate the Administration Agreement by giving at least 14 days' notice in writing to the other party at any time within 12 months of the happening of any of certain stated events, including any breach by the other party of its obligations under the Administration Agreement. In addition, either party may terminate the Administration Agreement at any time by giving at least three months' notice in writing to the other party, provided that no such termination shall take effect unless the Issuer has appointed a successor Administrator before the end of the notice period. If the Issuer does not do so, the Administrator may appoint its own successor.

The Administrator will be subject to the overview of the Issuer's Board of Directors.

The Administrator's principal office is PO Box 1093, Boundary Hall, Cricket Square, Grand Cayman, KY1-1102, Cayman Islands.

Maples Compliance Services (Cayman) Limited provides certain services to the Issuer in connection with the Issuer's obligations under the Cayman AML Regulations (in such capacity, the "**AML Services Provider**") pursuant to the terms of an AML Services Agreement entered into between the Issuer and the AML Services Provider (the "**AML Services Agreement**"). Under the terms of the AML Services Agreement, the AML Services Provider, either by itself or through an affiliate, provides the services prescribed under the AML Services Agreement and will do so until termination of the AML Services Agreement. In consideration of the foregoing, the AML Services Provider receives various fees payable by the Issuer at rates agreed upon from time to time, plus expenses. The terms of the AML Services Agreement provide that either the Issuer or the AML Services Provider may terminate such agreement upon the occurrence of certain stated events, including any breach by the other party of its obligations under such agreement. In addition, the AML Services Agreement provides that either party shall be entitled to terminate such agreement by giving at least one month's notice in writing to the other party.

The AML Services Provider will be subject to the overview of the Issuer's Board of Directors.

The AML Services Provider is an affiliate of the Administrator and its principal office is PO Box 1093, Boundary Hall, Cricket Square, Grand Cayman, KY1-1102, Cayman Islands.

The Issuer's authorised share capital consists of 50,000 voting shares, U.S.\$1.00 par value per share (the "**Issuer Ordinary Shares**"), of which 1,000 have been issued (being all of the Issuer Ordinary Shares which have been issued) to MaplesFS Limited (previously named Maples Finance Limited) (the "**Share Trustee**"), which holds them pursuant to the terms of a declaration of trust dated 12 September 2008 (the "**Declaration of Trust**") in trust until the Termination Date (as defined in the Declaration of Trust) and may only dispose or otherwise deal with such Issuer Ordinary Shares with the approval of the Trustee for so long as any Note or Alternative Investment is outstanding. Prior to the Termination Date, the trust is an accumulation trust but the Share Trustee has power, with the consent of the Trustee, to benefit Noteholders or parties to Alternative Investments or the Trustee or Qualified Charities (as defined in the Declaration of Trust). It is not anticipated that any distribution will be made whilst any Note or Alternative Investment is outstanding. Following the Termination Date, the Share Trustee will wind up the trust and make a final distribution to charity. The Share Trustee has no beneficial interest in, and derives no benefit (other than its fee (if any) for acting as Share Trustee) from, its holding of such Issuer Ordinary Shares.

The Issuer's Articles of Association provide that the Board of Directors of the Issuer will consist of at least one Director.

Business

So long as any of the Notes or Alternative Investments remain outstanding, the Issuer will be subject to the restrictions set out in Condition 5 and each Constituting Instrument.

The Issuer has, and will have, no material assets other than the sum of U.S.\$1,000 representing the proceeds of its issued share capital, such fees (as agreed) per Series payable to it in connection with the issue of Notes or the entering into of Alternative Investments or the purchase, sale or incurring of other obligations and any Collateral and any other assets on which the Notes or Alternative Investments are secured. Save in respect of the fees generated in connection with each issue of Notes or entering into of Alternative Investments, any related profits and the proceeds of any deposits and investments made from such fees or from amounts representing the proceeds of the Issuer's issued share capital, the Issuer will not accumulate any surpluses.

The Notes and Alternative Investments are obligations of the Issuer alone and not of, or guaranteed in any way by, the Administrator, the Share Trustee or the Trustee. Furthermore, they are not obligations of, or guaranteed in any way by, Barclays Bank PLC or any Swap Counterparty or any Agent.

Directors and Company Secretary

The Directors of the Issuer are as follows:

Carrie Bunton

Edmund King

Both the above are officers and/or employees of MaplesFS Limited.

The business address of all of the Directors is PO Box 1093, Boundary Hall, Cricket Square, Grand Cayman, KY1-1102, Cayman Islands.

The Company Secretary is Maples Secretaries (Cayman) Limited (previously named Maples Secretaries Limited).

Financial Statements

Since its date of incorporation, no financial statements of the Issuer have been prepared. The Issuer is not required by Cayman Islands law, and does not intend, to publish any financial statements. The Issuer is required to and will provide the Trustee with written confirmation, on an annual basis, that, as far as the Issuer is aware, no Event of Default or event which, with the giving of notice or certification and/or lapse of

time and/or the forming of an opinion, would become an Event of Default has occurred or, if one has, specifying the same.

DESCRIPTION OF ARLO XIV LIMITED

General

ARLO XIV Limited, a Cayman Islands exempted company incorporated with limited liability, was incorporated on 21 April 2010 under the Companies Act (2009 Revision) (now the 2021 Revision) of the Cayman Islands (with company registration number MC-239736). The registered office of the Issuer is at PO Box 1093, Queensgate House, Grand Cayman, KY1-1102, Cayman Islands (telephone no: +1 345 945 7099).

The Issuer has been established as a special purpose vehicle for the purpose of issuing asset backed securities. As specified in Clause 3 of its Memorandum of Association, the objects of the Issuer are unrestricted. However, the Issuer has undertaken no business other than the establishment of the Programme and the issue of Notes and the making of Alternative Investments (if any) and the entry into of agreements related thereto and has covenanted and will covenant in connection with each issue of Notes and Alternative Investments to that effect. The Issuer does not and will not have any substantial assets other than the Charged Assets for the Notes and Alternative Investments and will not have any substantial liabilities other than in connection with the Notes and Alternative Investments. Cash flow derived from the Collateral securing the Notes and the Alternative Investments will be the Issuer's only source of funds to fund payments in respect of the Notes and the Alternative Investments.

MaplesFS Limited (previously named Maples Finance Limited) (the "**Administrator**"), a Cayman Islands company licensed to carry on business as a trust company under the Banks and Trust Companies Act (2021 Revision) of the Cayman Islands, acts as the administrator of the Issuer. The office of the Administrator serves as the general business office and the registered office of the Issuer. Through such office and pursuant to the terms of the administration agreement dated 30 July 2010 and entered into between the Issuer and the Administrator (the "**Administration Agreement**"), the Administrator performs in the Cayman Islands various management functions on behalf of the Issuer, including communications with shareholders and the general public, and the provision of certain clerical, administrative and other services until termination of the Administration Agreement. In consideration of the foregoing, the Administrator receives various fees and other charges payable by the Issuer at rates agreed upon from time to time plus expenses. The terms of the Administration Agreement provide that either party may terminate the Administration Agreement by giving at least 14 days' notice in writing to the other party at any time within 12 months of the happening of any of certain stated events, including any breach by the other party of its obligations under the Administration Agreement. In addition, either party may terminate the Administration Agreement at any time by giving at least three months' notice in writing to the other party, provided that no such termination shall take effect unless the Issuer has appointed a successor Administrator before the end of the notice period. If the Issuer does not do so, the Administrator may appoint its own successor.

The Administrator will be subject to the overview of the Issuer's Board of Directors.

The Administrator's principal office is PO Box 1093, Boundary Hall, Cricket Square, Grand Cayman, KY1-1102, Cayman Islands.

Maples Compliance Services (Cayman) Limited provides certain services to the Issuer in connection with the Issuer's obligations under the Cayman AML Regulations (in such capacity, the "**AML Services Provider**") pursuant to the terms of an AML Services Agreement entered into between the Issuer and the AML Services Provider (the "**AML Services Agreement**"). Under the terms of the AML Services Agreement, the AML Services Provider, either by itself or through an affiliate, provides the services prescribed under the AML Services Agreement and will do so until termination of the AML Services Agreement. In consideration of the foregoing, the AML Services Provider receives various fees payable by the Issuer at rates agreed upon from time to time, plus expenses. The terms of the AML Services Agreement provide that either the Issuer or the AML Services Provider may terminate such agreement upon the occurrence of certain stated events, including any breach by the other party of its obligations under such agreement. In addition, the AML Services Agreement provides that either party shall be entitled to terminate such agreement by giving at least one month's notice in writing to the other party.

The AML Services Provider will be subject to the overview of the Issuer's Board of Directors.

The AML Services Provider is an affiliate of the Administrator and its principal office is PO Box 1093, Boundary Hall, Cricket Square, Grand Cayman, KY1-1102, Cayman Islands.

The Issuer's authorised share capital consists of 50,000 voting shares, U.S.\$1.00 par value per share (the "**Issuer Ordinary Shares**"), of which 1,000 have been issued (being all of the Issuer Ordinary Shares which have been issued) to MaplesFS Limited (previously named Maples Finance Limited) (the "**Share Trustee**"), which holds them pursuant to the terms of a declaration of trust dated 30 July 2010 (the "**Declaration of Trust**") in trust until the Termination Date (as defined in the Declaration of Trust) and may only dispose or otherwise deal with such Issuer Ordinary Shares with the approval of the Trustee for so long as any Note or Alternative Investment is outstanding. Prior to the Termination Date, the trust is an accumulation trust but the Share Trustee has power, with the consent of the Trustee, to benefit Noteholders or parties to Alternative Investments or the Trustee or Qualified Charities (as defined in the Declaration of Trust). It is not anticipated that any distribution will be made whilst any Note or Alternative Investment is outstanding. Following the Termination Date, the Share Trustee will wind up the trust and make a final distribution to charity. The Share Trustee has no beneficial interest in, and derives no benefit (other than its fee (if any) for acting as Share Trustee) from, its holding of such Issuer Ordinary Shares.

The Issuer's Articles of Association provide that the Board of Directors of the Issuer will consist of at least one Director.

As of 1 July 2013, the Issuer was registered as a qualified institutional investor with the Financial Services Agency in Japan.

Business

So long as any of the Notes or Alternative Investments remain outstanding, the Issuer will be subject to the restrictions set out in Condition 5 and each Constituting Instrument.

The Issuer has, and will have, no material assets other than the sum of U.S.\$1,000 representing the proceeds of its issued share capital, such fees (as agreed) per Series payable to it in connection with the issue of Notes or the entering into of Alternative Investments or the purchase, sale or incurring of other obligations and any Collateral and any other assets on which the Notes or Alternative Investments are secured. Save in respect of the fees generated in connection with each issue of Notes or entering into of Alternative Investments, any related profits and the proceeds of any deposits and investments made from such fees or from amounts representing the proceeds of the Issuer's issued share capital, the Issuer will not accumulate any surpluses.

The Notes and Alternative Investments are obligations of the Issuer alone and not of, or guaranteed in any way by, the Administrator, the Share Trustee or the Trustee. Furthermore, they are not obligations of, or guaranteed in any way by, Barclays Bank PLC or any Swap Counterparty or any Agent.

Directors and Company Secretary

The Directors of the Issuer are as follows:

Carrie Bunton

Edmund King

Both the above are officers and/or employees of MaplesFS Limited.

The business address of all of the Directors is PO Box 1093, Boundary Hall, Cricket Square, Grand Cayman, KY1-1102, Cayman Islands.

The Company Secretary is Maples Secretaries (Cayman) Limited (previously named Maples Secretaries Limited).

Financial Statements

The Issuer has prepared audited financial statements in respect of the period ended on 31 December 2010 and in respect of the financial years ended on 31 December 2011, 2012 and 2013. The financial statements in respect of the financial years ended on 31 December 2011, 2012 and 2013 have been published on the website of Euronext Dublin. Further copies of such audited financial statements are

available from the registered office of the Issuer. The Issuer will not prepare interim financial statements and does not intend to prepare audited financial statements for the financial year ended on 31 December 2014 and financial years thereafter. The financial year of the Issuer is the calendar year.

The auditors of the Issuer were KPMG of PO Box, 493, Century Yard, Cricket Square, Grand Cayman, KY1-1106, Cayman Islands.”

Japan Branch

As of 23 July 2012 the Issuer established a branch in Japan at the following address:

c/o Tokyo Kyodo Accounting Office
9F, Kokusai Building
3-1-1 Marunouchi
Chiyoda-ku
Tokyo 100-0005
Japan

INFORMATION CONCERNING THE APPOINTMENT AND TERMINATION OF AGENTS

In relation to any Series of Notes, pursuant to the relevant Agency Agreement, the Issuer may appoint each or any of an Issue Agent, Principal Paying Agent, Paying Agent, Registrar, Transfer Agent, Interest Calculation Agent, Determination Agent, Realisation Agent or such other agents as specified in the relevant Constituting Instrument (each an "**Agent**" and together, the "**Agents**"). Where an Agent is specified as party to the relevant Constituting Instrument, that Agent's relationship with the Issuer is to act, where applicable, according to that Agent's role as set out in the Agency Agreement.

Each Realisation Agent, Principal Paying Agent, Issue Agent, Interest Calculation Agent and Determination Agent shall be a reputable financial institution with a place of business in London or such other financial centre as may be specified in the Conditions of the Notes of the relevant Series and each such Registrar and Transfer Agent shall be a reputable financial institution or other appropriate body corporate with a place of business in London or such other financial centre as may be specified in the Conditions of the Notes of the relevant Series.

The appointment of an Agent will terminate if that Agent becomes incapable of acting, or is adjudged bankrupt or insolvent, or files a voluntary petition in bankruptcy or if a resolution is passed or an order made for the winding up or dissolution of the Agent.

The Issuer may appoint an Agent and/or terminate the appointment of any Agent by giving not less than 45 days' (unless otherwise specified in the relevant Constituting Instrument) written notice to that effect provided that no such termination of the appointment of the Agent shall take effect until a successor has been appointed. An Agent may also resign its appointment under the Agency Agreement relating to a Series of Notes by giving not less than 45 days' (unless otherwise specified in the relevant Constituting Instrument) prior written notice to, amongst others, the Issuer and the Trustee. If no successor is appointed after the expiration of the 45 days' written notice period, the relevant Agent (with the consent of the Trustee) may appoint its own successor. The Issuer will take appropriate steps to notify any such appointment or termination to the holders of the Notes.

CAYMAN ISLANDS TAXATION

Prospective investors should consult their professional advisers on the possible tax consequences of buying, holding or selling any Notes, Coupons, Receipts or Alternative Investments under the laws of their country of citizenship, residence or domicile.

The following is a discussion on certain Cayman Islands income tax consequences of an investment in the Notes, Coupons, Receipts or Alternative Investments. The discussion is a general summary of present law, which is subject to prospective and retroactive change. It is not intended as tax advice, does not consider any investor's particular circumstances, and does not consider tax consequences other than those arising under Cayman Islands law.

Under existing Cayman Islands laws:

- (i) payments of interest and principal in respect of the Notes, Coupons, Receipts or Alternative Investments will not be subject to taxation in the Cayman Islands and no withholding will be required on such payments to any holder of a Note, Coupon or Receipt or party to such Alternative Investment and gains derived from the sale of Notes or any Alternative Investments will not be subject to income or corporation tax in the Cayman Islands. The Cayman Islands currently have no income, corporation or capital gains tax and no estate duty, inheritance tax or gift tax;
- (ii) the holder of any Bearer Note, Coupon or Receipt or the party to any Alternative Investment (or the legal personal representative of such holder or party) whose Bearer Note, Coupon or Receipt or certificate or agreement evidencing or constituting such Alternative Investment is brought into the Cayman Islands may in certain circumstances be liable to pay Cayman Islands stamp duty in respect of such Bearer Note, Coupon, Receipt or Alternative Investment; and
- (iii) registered securities evidencing a Note or Alternative Investment to which title is not transferable by delivery should not attract Cayman Islands stamp duty. However, an instrument transferring title to such a registered security, if brought into or executed in the Cayman Islands, would be subject to Cayman Islands stamp duty.

Each Issuer has been incorporated under the laws of the Cayman Islands as an exempted company and, as such, has applied for and obtained an undertaking from the Governor in Council or Cabinet of the Cayman Islands in the following form:

"THE TAX CONCESSIONS LAW

(1999 REVISION)

UNDERTAKING AS TO TAX CONCESSIONS

In accordance with Section 6 of the Tax Concessions Law (1999 Revision) the Governor in [Council][Cabinet] undertakes with:-

[name of company] ("the Company")

- (a) that no Law which is hereafter enacted in the Islands imposing any tax to be levied on profits, income, gains or appreciations shall apply to the Company or its operations; and
- (b) in addition, that no tax to be levied on profits, income, gains or appreciations or which is in the nature of estate duty or inheritance tax shall be payable:
 - (i) on or in respect of the shares debentures or other obligations of the Company; or
 - (ii) by way of the withholding in whole or in part of any relevant payment as defined in Section 6(3) of the Tax Concessions Law (1999 Revision).

These concessions shall be for a period of TWENTY years from the [] day of [] 20[].

[ACTING] GOVERNOR IN [COUNCIL] [CABINET]"

With respect to ARLO II Limited, the concessions shall be for a period of TWENTY years from the 12th day of November 2002.

With respect to ARLO XII Limited the concessions shall be for a period of TWENTY years from 16th day of September 2008.

With respect to ARLO XIV Limited the concessions shall be for a period of TWENTY years from 4th day of May 2010.

SUBSCRIPTION AND SALE

The Issuer will enter into a Placing Agreement with the Arranger in respect of each issue of Notes or making of Alternative Investments, pursuant to which the Arranger will agree, among other things, to purchase or to procure purchasers for such Notes or parties to such Alternative Investments.

United States

The Notes have not been and will not be registered under the Securities Act or any state securities laws. Consequently, the Notes of a non-U.S. Series or a non-U.S. Tranche may not at any time be offered, sold, delivered or otherwise transferred within the United States or to, or for the account or benefit of, any U.S. Person. The Issuer is not and will not be registered under the 1940 Act.

Bearer Notes will be subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or to or for the account of a United States person except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them in the Code. Unless otherwise specified in the applicable Series Memorandum for a Series, Bearer Notes and Exchangeable Bearer Notes of a non-U.S. Series or a non-U.S. Tranche will be issued pursuant to Section 1.163-5(c)(2)(i)(D) of the Treasury Regulations under the Code.

U.S. Transfer Restrictions for any U.S. Series

The applicable U.S. transfer restrictions for any U.S. Series will be set forth in the Series Memorandum for such U.S. Series.

European Economic Area

In relation to each Member State of the European Economic Area, the Arranger and each Dealer appointed pursuant to the Placing Agreement in respect of a Series of Notes will be required to represent and agree that it has not made and will not make an offer of Notes to the public in that Member State except that it may make an offer of Notes to the public in that Member State:

- (a) if the Series Memorandum in relation to the Notes specify that an offer of those Notes may be made other than pursuant to Article 1(4) of the Prospectus Regulation in that Member State (a "**Non-exempt Offer**"), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Member State or, where appropriate, approved in another Member State and notified to the competent authority in that Member State, provided that any such prospectus has subsequently been completed by the Series Memorandum contemplating such Non-exempt Offer, in accordance with the Prospectus Regulation, in the period beginning and ending on the dates specified in such prospectus or Series Memorandum and the Issuer has consented in writing to its use for the purpose of that Non-exempt offer;
- (b) at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation;
- (c) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (d) at any time in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Notes referred to in (b) to (d) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an "**offer of Notes to the public**" in relation to any Notes in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, and the expression Prospectus Regulation means (Regulation (EU) 2017/1129).

United Kingdom

Unless otherwise provided in the relevant Placing Agreement, the Arranger and each Dealer will in each Placing Agreement to which it is party represent and agree in relation to the Notes or Alternative Investments to be purchased or entered into thereunder that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by a Series Memorandum in relation thereto to the public in the United Kingdom except that it may make an offer of such Notes to the public in the United Kingdom:

- (A) if the Series Memorandum in relation to the Notes specify that an offer of those Notes may be made other than pursuant to section 86 of the FSMA (a “**Public Offer**”), following the date of publication of a prospectus in relation to such Notes which either (i) has been approved by the Financial Conduct Authority, or (ii) is to be treated as if it had been approved by the Financial Conduct Authority in accordance with the transitional provision in Regulation 74 of the Prospectus (Amendment etc.) (EU Exit) Regulations 2019, provided that any such prospectus has subsequently been completed by a prospectus contemplating such Public Offer, in the period beginning and ending on the dates specified in such prospectus or Series Memorandum, as applicable, and the Issuer has consented in writing to its use for the purpose of that Public Offer;
- (B) at any time to any legal entity which is a qualified investor as defined in Article 2 of the UK Prospectus Regulation;
- (C) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in Article 2 of the UK Prospectus Regulation) in the United Kingdom subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (D) at any time in any other circumstances falling within section 86 of the FSMA,

provided that no such offer of Notes referred to in (B) to (D) above shall require the Issuer, Arranger or any Dealer to publish a prospectus pursuant to section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

For the purposes of this provision, the expression an offer of Notes to the public in relation to any Notes means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes and the expression “**UK Prospectus Regulation**” means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA.

Other Regulatory Restrictions

1. in relation to any Notes which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;
2. it has only communicated or caused to be communicated, and it will only communicate or cause to be communicated, any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and

3. it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes or Alternative Investments in, from or otherwise involving the United Kingdom.

France

The Arranger and each Dealer appointed pursuant to the Placing Agreement in respect of a Series of Notes and the Issuer represents and agrees that, (i) it has not offered or sold and will not offer or sell, directly or indirectly, any Notes to the public (*offre au public*) in the Republic of France and (ii) offers and sales of Notes in the Republic of France will only be made to (a) qualified investors (*investisseurs qualifiés*) or a restricted circle of investors (*cercle restreint d'investisseurs*), in each case investing for their own account, all as defined in, and in accordance with, articles L.411-2, D.411-1, D.734-1, D.744-1, D.754-1 and D.764-1 of the French *Code monétaire et financier* ("**CMF**"), (b) providers of investment services relating to portfolio management for the account of third parties (*personnes fournissant le service de gestion de portefeuille pour compte de tiers*) or (c) in a transaction that, in accordance with article L.411-2 of the CMF and article 211-2 of the *Règlement Général* of the *Autorité des Marchés Financiers* ("**AMF**"), does not constitute a public offer. The relevant Series Memorandum or any other offering documentation relating to the Notes has not been admitted to the clearance procedures of the AMF. In addition, each of the Arranger, the Dealers and the Issuer represents and agrees that, it has not distributed or caused to be distributed and will not distribute or cause to be distributed in the Republic of France, the relevant Series Memorandum or any other offering material relating to the Notes other than to those investors (if any) to whom offers and sales of the Notes in the Republic of France may be made as described above.

Italy

The offering of the Notes has not been registered pursuant to Italian securities legislation and, accordingly, no Notes may be offered, sold or delivered, nor may copies of a Series Memorandum in respect of a Series of Notes or any other document relating to the Notes be distributed in the Republic of Italy, except:

- (a) made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, CONSOB Regulation No. 20307 of 15 February 2018 and Legislative Decree No. 385 of 1 September 1993, as amended;
- (b) in compliance with any other applicable laws and regulations.

Please note that, in accordance with Article 100-bis of the Financial Services Act, the subsequent distribution of the Notes on the secondary market in Italy must be made in compliance with the rules on offers of securities to be made to the public provided under the Financial Services Act and the Regulation 11971/1999. Failure to comply with such rules may result, inter alia, in the sale of such Notes being declared null and void and in the liability of the intermediary transferring the Notes for any damages suffered by the investors.

Cayman Islands

No invitation whether directly or indirectly may be made to the public in the Cayman Islands to subscribe for any of the Notes unless at the time of such invitation the Issuer is listed on the Cayman Islands Stock Exchange. The Issuer currently has no intention of applying for such a listing.

Japan

The Arranger and Dealer are aware the Notes of the relevant Series have not been, and will not be, registered Article 4, Paragraph 1 of the Financial Instruments and Exchange Law of Japan (Law no. 25 of 1948, as amended) (the "**FIEA**"), and each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that, accordingly, none of the Notes nor any interest therein may be offered or sold, directly or indirectly, in Japan or to, or for the benefit, of any Japanese person or to others for re-offering or resale, directly or indirectly, in Japan or to any Japanese person except under circumstances which will result in compliance with all applicable laws, regulations and guidelines promulgated by the relevant Japanese governmental and regulatory authorities and in effect at the relevant time. For this purpose, a "**Japanese person**" means any person resident in Japan, including any corporation or other entity organised under the laws of Japan.

Jersey

No offer for subscription, sale or exchange of any Notes will be made to the public in Jersey.

General

These selling restrictions may be modified by the agreement of the Issuer and the Arranger following a change in a relevant law, regulation or directive. Any such modification will be set out in the Series Memorandum issued in respect of the issue of Notes to which it relates or in a supplement to this Programme Memorandum.

This Programme Memorandum has been prepared for use in connection with the offer and sale of Notes outside the United States to non-U.S. persons and for the admission of Notes to the Official List of Euronext Dublin and to trading on the GEM.

No action has been or will be taken in any jurisdiction that would permit a public offering of any Notes, or possession or distribution of this Programme Memorandum or any part thereof or any other offering material or any Series Memorandum, in any country or jurisdiction where action for that purpose is required.

Unless otherwise provided in the relevant Placing Agreement, the Arranger will in each Placing Agreement to which it is party agree that it will, to the best of its knowledge, comply with all relevant laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes the Programme Memorandum or any part thereof, any other offering material or any Series Memorandum in all cases at its own expense unless otherwise agreed and neither the Issuer nor any other Arranger shall have responsibility therefor.

GENERAL INFORMATION

- (1) Each Bearer Note, Receipt, Coupon and Talon will bear the following legend: "Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the U. S. Internal Revenue Code of 1986, as amended".
- (2) Notes may be accepted for clearance through the Euroclear and Clearstream, Luxembourg systems or through any other clearing system specified in the applicable Series Memorandum. The Common Code, International Securities Identification Number (ISIN), CUSIP and CINS numbers and PORTAL symbol (if any) for each Series of Notes (if applicable) will be set out in the relevant Series Memorandum. Clearance arrangements (if any) for any Alternative Investments will be as set out in the Series Memorandum relating thereto.
- (3) Each Issuer has obtained all necessary consents, approvals and authorisations (if any) which are necessary in the Cayman Islands as at the date of this Programme Memorandum in connection with the establishment of (and, as applicable, the update of) its Programme. The establishment of the relevant Programme and the issue of this Programme Memorandum were authorised by:
 - (a) resolutions of the Board of Directors of ARLO II Limited passed on 25 February 2003, 9 March 2016, 20 April 2017 and 15 February 2021, respectively;
 - (b) resolutions of the Board of Directors of ARLO XII Limited passed on 15 September 2008, 9 March 2016, 20 April 2017 and 15 February 2021, respectively;
 - (c) resolutions of the Board of Directors of ARLO XIV Limited passed on 30 July 2010, 9 March 2016, 20 April 2017 and 15 February 2021, respectively.
- (4) In respect of each Issuer, such Issuer is not involved in any governmental, legal or arbitration proceedings which may have, or have had since its incorporation, a significant effect on its financial position or profitability, nor is such Issuer aware that such proceedings are pending or threatened.
- (5) From the date of this Programme Memorandum and for so long as any Notes or Alternative Investments issued by or entered into by an Issuer remain outstanding, the following documents will be made available by the Trustee, Principal Paying Agent or the Registrar (if any) for inspection by electronic means and the Noteholders will be required to provide evidence satisfactory to such Trustee, Principal Paying Agent or the Registrar (as applicable) of their holdings prior to them receiving access to such documents:
 - (i) the Memorandum and Articles of Association of each Issuer;
 - (ii) this Programme Memorandum;
 - (iii) any Series Memorandum relating to a Series of Notes or Alternative Investments;
 - (iv) the Constituting Instrument relating to each Series of Notes or Alternative Investments and each document incorporated by reference into such Constituting Instrument;
 - (v) in respect of each Issuer, the Administration Agreement, the Series Proposal Agreement, the Programme Expenses Letter and the Deed of Floating Charge (if any);
 - (vi) in respect of each Issuer, the historical financial information of such Issuer for each of the two financial years preceding the publication of this Programme Memorandum (if published), or the most recent financial statements of such Issuer (if any);
 - (vii) in respect of each Issuer, any reports, letters, and other documents, historical financial information, valuations and statements prepared by any expert, any part of which is included or referred to in this Programme Memorandum, at such Issuer's request; and

- (viii) such other documents (if any) as may be required by any stock exchange on which any Notes or Alternative Investments are at the relevant time listed.
- (6) Unless specifically stated in the Series Memorandum in relation to a particular issue of Notes, no Issuer intends to provide post issuance transaction information.
- (7) The Bank of New York Mellon SA/NV, Dublin Branch is acting solely in its capacity as listing agent for the Issuer (and not on its own behalf) in connection with the application for admission of the Notes to the Official List of Euronext Dublin and trading on the GEM.
- (8) There has been no material adverse change in the financial position or prospects of ARLO XIV Limited since the date of its last published audited financial statements.
- (9) ARLO XIV Limited is not required under Cayman Islands law to publish audited financial statements but elected to do so in respect of its financial years up to and including that ended on 31 December 2013. ARLO XIV Limited will make available for inspection copies of such audited financial statements and any auditor's report relating thereto (and copies thereof will be obtainable) by electronic means and the Noteholders will be required to provide evidence satisfactory to the Principal Paying Agent of their holdings prior to them receiving access to such documents of such audited financial statements and any auditor's report relating thereto (and copies thereof will be obtainable). ARLO XIV Limited does not intend to publish audited financial statements for the financial year ended on 31 December 2014 and financial years thereafter.

REGISTERED OFFICES OF THE ISSUERS

ARLO II Limited
PO Box 1093, Queensgate House
Grand Cayman
KY1-1102
Cayman Islands

ARLO XII Limited
PO Box 1093, Queensgate House
Grand Cayman
KY1-1102
Cayman Islands

ARLO XIV Limited
PO Box 1093, Queensgate House
Grand Cayman
KY1-1102
Cayman Islands

ARRANGER AND SWAP COUNTERPARTY

Barclays Bank PLC
5 The North Colonnade
Canary Wharf
London E14 4BB
(or as specified in the relevant Series Memorandum)

TRUSTEE

BNY Mellon Corporate Trustee Services Limited
One Canada Square
London E14 5AL
(or as specified in the relevant Series Memorandum)

**ISSUE AGENT, PRINCIPAL PAYING AGENT
AND CUSTODIAN**

The Bank of New York Mellon, London Branch
One Canada Square
London E14 5AL
*(or as specified in the relevant Series
Memorandum)*

REGISTRAR

The Bank of New York Mellon SA/NV,
Luxembourg Branch
Vertigo Building - Polaris
2-4 rue Eugène Ruppert
L-2453 Luxembourg
*(or as specified in the relevant Series
Memorandum)*

REALISATION AGENT

Barclays Bank PLC
5 The North Colonnade
Canary Wharf
London E14 4BB
*(or as specified in the relevant
Series Memorandum)*

IRISH LISTING AGENT

The Bank of New York Mellon SA/NV, Dublin Branch
Riverside II, Sir John Rogerson's Quay
Grand Canal Dock
Dublin 2
Ireland
(or as specified in the relevant Series Memorandum)

LEGAL ADVISERS

*To the Arranger as to
English and U.S. law*

**Simmons & Simmons JWS
Pte Ltd**

168 Robinson Road
#11-01 Capital Tower
Singapore 068912

*To each Issuer as to
Cayman Islands law*

Maples and Calder

11th Floor
200 Aldersgate Street
London EC1A 4HD