**Base Prospectus**

# ARGENTUM SECURITIES IRELAND PLC

*(a public limited company incorporated under the laws of Ireland, having its registered office at Block A, George's Quay Plaza, George's Quay, Dublin 2, Ireland, with registration number 535011)*

## Structured Issuance Programme

This Base Prospectus gives information on Argentum Securities Ireland plc (the "**Issuer**") and its programme (the "**Programme**") for the issuance of secured notes ("**Notes**"). The liability of the Issuer under the Notes and the Programme is separate in respect of each Series of Notes. The Issuer has established its Programme for the issuance of Notes pursuant to an original base prospectus originally dated 10 July 2009 and certain master terms originally dated 16 July 2009 (in each case as updated and supplemented from time to time). Under the Programme, the Issuer may from time to time issue series (each, a "**Series**") of Notes, in one or more classes (each, a "**Class**") and tranches (each, a "**Tranche**"), on the terms set out in this Base Prospectus as completed by the final terms prepared in connection with such Tranche (the "**Final Terms**") or the pricing supplement prepared in connection with such Tranche (the "**Pricing Supplement**"). Notes may also be issued under the Programme on terms set out in a prospectus relating to the Notes, incorporating by reference the whole or any part of this Base Prospectus (a "**Series Prospectus**") or by a Pricing Supplement (which, together with a Series Prospectus, are the "**Alternative Drawdown Documents**" and each an "**Alternative Drawdown Document**"). References to applicable Final Terms in this Base Prospectus include only final terms pursuant to Article 8 of Regulation (EU) 2017/1129 (the "**Prospectus Regulation**").

Each Series of Notes will be secured by a security interest created in favour of the Trustee over the assets relating to a Series of Notes and the Issuer's rights against, among others, the Issuing and Paying Agent, the Registrar and Transfer Agent, the Disposal Agent, the Calculation Agent, the Custodian and any Swap Counterparty. If the proceeds of enforcement of the security are not sufficient to meet all of its obligations in respect of the Series of Notes, the Issuer's obligations in respect of the Notes will be limited to those proceeds.

This Base Prospectus constitutes a base prospectus as contemplated by the Prospectus Regulation. This Base Prospectus has been approved by the Central Bank of Ireland (the "**Central Bank**"), as competent authority under the Prospectus Regulation. The Central Bank only approves this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer that is the subject of this Base Prospectus.

Application has been made to the Irish Stock Exchange plc trading as Euronext Dublin ("**Euronext Dublin**") for certain Notes issued under the Programme for the period of 12 months from the date of this Base Prospectus to be admitted to the Official List of Euronext Dublin (the "**Official List**") and to trading on its regulated market (the "**Regulated Market**"). The Regulated Market is a regulated market for the purposes of Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments (as amended, "**MiFID II**"). Such approval relates only to the Notes which are to be admitted to trading on the Regulated Market or other regulated markets for the purposes of MiFID II and/or which are to be offered to the public in the United Kingdom and in any Member State of the European Economic Area or in the United Kingdom.

Application has also been made to Euronext Dublin for certain Notes issued under the Programme for the period of 12 months from the date of this Base Prospectus to be admitted to the Official List of Euronext Dublin and to trading on Global Exchange Market ("**GEM**"). This document constitutes Base Listing Particulars (the "**Base Listing Particulars**") for the purposes of such application and has been approved by Euronext Dublin. The GEM is not a regulated market for the purposes of MiFID II. Such approval by Euronext Dublin relates only to the Notes which are admitted to trading on the GEM.

References in this Base Prospectus to Notes being "listed" (and all related references) shall mean that such Notes have been admitted to trading on the Regulated Market or GEM and have been admitted to the Official List.

This Base Prospectus will be valid for admissions to trading on a regulated market by or with the consent of the Issuer for 12 months from its date. The obligation to supplement it in the event of significant new factors, material mistakes or material inaccuracies will not apply after the date 12 months from the date of this Base Prospectus.

Notes may also be listed and admitted to trading on such other or further stock exchanges as may be agreed between the Issuer and the relevant Dealer(s) and as specified in the applicable Final Terms or Series Prospectus for the relevant Notes. All Notes issued may be listed or admitted to trading on a regulated market or any other market. The applicable Final Terms or, where an Alternative Drawdown Document is prepared (which shall be the case for Credit Linked Notes and Collateral Basket Notes), the applicable terms and conditions set out in such Alternative Drawdown Document (the Final Terms or such provisions of the Alternative Drawdown Document, as the case may be, the "**Issue Terms**") in respect of the issue of any Notes will specify whether or not such Notes will be listed on the Official List and admitted to trading on the Regulated Market or admitted to trading on GEM or any other stock exchange as may be agreed between the Issuer and the relevant Dealer(s).

Notes to be admitted to the Official List and to trading on the Regulated Market may only be issued by way of Final Terms under this Base Prospectus where the Original Collateral is CS Original Collateral. Where the Original Collateral of the Notes is not CS Original Collateral, then a Series Prospectus will be required for the Notes to be admitted to the Official List and admitted to trading on the Regulated Market or admitted to trading on GEM or other regulated markets for the purposes of MiFID II. This Base Prospectus has not been reviewed by the Central Bank in relation to any Pricing Supplement.

Notes to be admitted to the Official List and to trading on GEM may be issued by way of a Pricing Supplement under these Base Listing Particulars. For this purpose, references in these Base Listing Particulars to "Base Prospectus", "Issue Terms" and "Supplemental Prospectus(es)" shall be deemed to be references to "Base Listing Particulars", "Pricing Supplement" and "Listing Particulars Supplement(s)" respectively. Notes may also be issued under the Programme on terms set out in a Series Listing Particulars relating to the Notes that incorporates by reference the whole or any part of these Base Listing Particulars.

The Notes have not been and will not be registered under the U.S. Securities Act of 1933 (the "**Securities Act**") and the Notes may include Bearer Notes that are subject to U.S. tax law requirements. The Notes may not at any time be offered, sold or, in the case of Bearer Notes, delivered within the United States or to any person who is (a) a U.S. person (as defined in Regulation S under the Securities Act), (b) not a Non-United States person (as defined in Rule 4.7 under the U.S. Commodity Exchange Act of 1936, but excluding for purposes of subsection (D) thereof, the exception to the extent that it would apply to persons who are not Non-United States persons) or (c) a U.S. person (as defined in the credit risk retention regulations issued under Section 15G of the U.S. Securities Exchange Act of 1934).

**Prospective investors should have regard to the factors described under the section of this Base Prospectus entitled "*Risk Factors*" and, in particular, to the limited recourse nature of the Notes and the fact that the Issuer is a special purpose vehicle. This Base Prospectus does not describe all of the risks of an investment in the Notes.**

**Readers of this Base Prospectus should have regard to the definitions set out in "Master Conditions – Condition 1 (*Definitions and Interpretation*)" herein. Unless otherwise defined elsewhere in this Base Prospectus, capitalised terms used in this Base Prospectus shall have the meaning given to them in "Master Conditions – Condition 1 (*Definitions and Interpretation*)".**

**Arranger and Dealer**

**CREDIT SUISSE INTERNATIONAL**

**22 May 2020**

This Base Prospectus comprises a base prospectus for the purposes of Article 8 of the Prospectus Regulation and for the purpose of giving necessary information with regard to the Issuer and the Notes which, according to the particular nature and circumstances of the Issuer and type of Notes, is material to investors for making an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Issuer.

The Issuer accepts responsibility for the information contained in this Base Prospectus. To the best of the Issuer's knowledge the information contained in this Base Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Base Prospectus has been prepared on the basis that any offer of Notes in any Member State of the European Economic Area (the "**EEA**") and the United Kingdom (the "**UK**") (each, a "**Relevant State**") will be made pursuant to an exemption under the Prospectus Regulation from the requirement to publish a prospectus for offers of Notes. Accordingly, any person making or intending to make an offer in that Relevant State of Notes which are the subject of an offering contemplated in this Base Prospectus as completed by Final Terms in relation to the offer of those Notes may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 1(4) of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation, in each case, in relation to such offer. Neither the Issuer nor any Dealer have authorised, nor do they authorise, the making of any offer of Notes in circumstances in which an obligation arises for the Issuer or any Dealer to publish or supplement a prospectus for such offer.

The Issuer, having made all reasonable enquiries, confirms that, to the best of its knowledge, this Base Prospectus contains all information with respect to the Issuer and the Notes that is material in the context of the issue and offering of the Notes, the statements contained in it relating to the Issuer are in every material aspect true and accurate and not misleading, the opinions and intentions expressed in this Base Prospectus with regard to the Issuer are honestly held, have been reached after considering all relevant circumstances and are based on reasonable assumptions, there are no other facts in relation to the Issuer or the Notes the omission of which would, in the context of the issue and offering of the Notes, make any statement in this Base Prospectus misleading in any material respect and all reasonable enquiries have been made by the Issuer to ascertain such facts and to verify the accuracy of all such information and statements.

The Issuer acknowledges that it may be possible for investors to hold indirect interests in certain Series of Notes through CREST through the issuance of dematerialised depository interests ("**CDIs**"). Any such CDIs will be independent securities constituted under English law and transferred through CREST and will be issued by CREST Depository Limited or any successor thereto pursuant to a global deed poll dated 25 June 2001 (as subsequently modified, supplemented and/or restated, the "**CREST Deed Poll**").

No person has been authorised to give any information or to make any representation other than those contained in this Base Prospectus and the applicable Issue Terms or Alternative Drawdown Document in connection with the issue or sale of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or any of the Arranger or the Dealer (as defined in "*Overview of the Programme*"). Neither the delivery of this Base Prospectus nor any sale of Notes made in connection therewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer since the date of this Base Prospectus or the date upon which this Base Prospectus has been most recently amended or supplemented or that there has been no adverse change in the financial position of the Issuer since the date of this Base Prospectus or the date upon which this Base Prospectus has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

The language of this Base Prospectus 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 the applicable law.

The information on any websites referred to herein does not form part of the Base Prospectus unless that information is incorporated by reference into this Base Prospectus.

The distribution of this Base Prospectus and any Issue Terms or Alternative Drawdown Document and the offering or sale of the Notes in certain jurisdictions may be restricted by law. In particular, no action has been or will be taken by the Issuer, the Arranger or the Dealer (save as specified in the relevant Series Prospectus) which is intended to permit a public offering of the Notes or distribution of this Base Prospectus or any Issue Terms in any jurisdiction where action for that purpose is required. Accordingly, the Notes may not be offered or sold, directly or indirectly, and neither this Base Prospectus nor any Issue Terms nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Base Prospectus and any Issue Terms comes are required by the Issuer, the Arranger and the Dealer to inform themselves about and to observe any such restriction.

**The Notes do not represent a participation in a collective investment scheme pursuant to Art. 7 ss of the Swiss Federal Act on Collective Investment Schemes ("CISA") and thus do not require an authorisation of the Swiss Financial Market Supervisory Authority ("FINMA"). Therefore, investors in Notes are not eligible for specific investor protection under the CISA.**

If the applicable Issue Terms in respect of any Notes specify that "Prohibition of Sales to EEA and UK Retail Investors" is applicable, such Notes are not intended to be offered, sold or otherwise made available at any time to and should not be offered, sold or otherwise made available to any retail investor in the EEA or in the UK. For these purposes, a retail investor means a person who is one (or more) of (i) a retail client as defined in Article 4(1) of Directive 2014/65/EU ("**MiFID II**"); (ii) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling such Notes or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling such Notes or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPs Regulation. The Issuer expressly disclaims any responsibility for offering or selling such Notes or otherwise making them available to any retail investor in the EEA or in the UK.

The Notes have not been and will not be registered under the Securities Act and the Notes may include Bearer Notes that are subject to U.S. tax law requirements. The Notes may not at any time be offered, sold or, in the case of Bearer Notes, delivered within the United States or to any person who is (a) a U.S. person (as defined in Regulation S under the Securities Act), (b) not a Non-United States person (as defined in Rule 4.7 under the U.S. Commodity Exchange Act of 1936, but excluding for purposes of subsection (D) thereof, the exception to the extent that it would apply to persons who are not Non-United States persons) or (c) a U.S. person (as defined in the credit risk retention regulations issued under Section 15G of the U.S. Securities Exchange Act of 1934).

For a description of certain restrictions on offers and sales of Notes and on distribution of this Base Prospectus in the United States, Switzerland, the European Economic Area and the United Kingdom, see "*Subscription and Sale*".

This Base Prospectus does not constitute an offer of, or an invitation by or on behalf of the Issuer, the Arranger or the Dealer to subscribe for, or purchase, any Notes.

The Arranger and the Dealer have not separately verified the information contained in this Base Prospectus. None of the Arranger or the Dealer makes any representation, express or implied, or, to the

fullest extent permitted by law, accepts any responsibility whatsoever for the Notes, the Transaction Documents (including the effectiveness thereof) or for the contents of, or make any representation, recommendation or warranty, express or implied regarding the accuracy, adequacy, reasonableness or completeness of any of the information in this Base Prospectus or the Final Terms or applicable Alternative Drawdown Document (as applicable) or any notice or other document which may at any time be supplied in connection with the Notes and none of them accepts any liability therefor. Neither the Dealer nor the Arranger accepts any responsibility for any other statement made or purported to be made by a Dealer or the Arranger or on its behalf in connection with the Issuer or the issue and offering of the Notes. Each of the Arranger and the Dealer accordingly disclaims all and any liability whether arising in tort or contract or otherwise (save as referred to above) which it might otherwise have in respect of the Notes, the Transaction Documents or this Base Prospectus or any such statement.

Prospective purchasers of Notes should have regard to the factors described under the section entitled "*Risk Factors*" in this Base Prospectus. This Base Prospectus does not describe all of the risks of an investment in the Notes. Neither this Base Prospectus nor any financial statements are intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer, the Arranger or the Dealer that any recipient of this Base Prospectus or any other financial statements should purchase the Notes.

Prospective purchasers of Notes should conduct such independent investigation and analysis regarding the Issuer, the security arrangements and the Notes as they deem appropriate to evaluate the merits and risks of an investment in the Notes. Prospective purchasers of Notes should have sufficient knowledge and experience in financial and business matters, and access to, and knowledge of, appropriate analytical resources, to evaluate the information contained in this Base Prospectus and the applicable Issue Terms and the merits and risks of investing in the Notes in the context of their financial position and circumstances. Neither the Arranger nor the Dealer undertakes to review the financial condition or affairs of the Issuer during the life of the arrangements contemplated by this Base Prospectus or the term of any Notes issued nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Arranger or the Dealer. The risk factors identified in this Base Prospectus are provided as general information only and the Arranger and the Dealer disclaim any responsibility to advise purchasers of Notes of the risks and investment considerations associated therewith as they may exist at the date hereof or as they may from time to time alter.

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# OVERVIEW OF THE PROGRAMME

The following is an overview of the Structured Issuance Programme pursuant to which the Issuer may issue Notes. This overview is qualified in its entirety by the remainder of this Base Prospectus.

| **PARTIES** | |
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| **Issuer**: | Argentum Securities Ireland plc.<br>Information relating to the Issuer is contained in the section of this Base Prospectus entitled "*Description of the Issuer*". |
| **Issuer's Legal Entity Identifier (LEI)** | 213800D3J8RPOBZM8Z27. |
| **Arranger**: | Credit Suisse International. |
| **Dealer**: | Credit Suisse International, either in respect of one or more Series or Tranches or in respect of the whole Programme. The Issuer may from time to time terminate the appointment of the Dealer under the Programme or appoint additional Dealer(s). |
| **Trustee**: | Citicorp Trustee Company Limited. |
| **Issuing and Paying Agent and Transfer Agent**: | Citibank, N.A., London Branch. The Issuer may from time to time with the approval of the Trustee and in accordance with the Conditions vary or terminate the appointment of the Issuing and Paying Agent and Transfer Agent and appoint additional or other Issuing and Paying Agent(s) and Transfer Agent(s). |
| **Custodian**: | Citibank, N.A., London. The Issuer may from time to time with the approval of the Trustee and in accordance with the Conditions vary or terminate the appointment of the Custodian and appoint additional or other Custodian(s). |
| **Registrar**: | Citigroup Global Markets Europe AG. The Issuer may from time to time with the approval of the Trustee and in accordance with the Conditions vary or terminate the appointment of the Registrar and appoint additional or other Registrar(s). |
| **Swap Agreement and Swap Counterparty**: | In respect of any Series of Notes, the Issuer may enter into a swap agreement substantially on the terms described in the section of this Base Prospectus entitled "*The Swap Agreement*" (a "**Swap Agreement**"). The Swap Agreement may, if so specified in the applicable Issue Terms, provide for collateralisation by way of a credit support annex by either or both of the Issuer and the Swap Counterparty of their respective obligations under the Swap Agreement.<br>Unless otherwise specified in the applicable Issue Terms, the Swap Counterparty will be Credit Suisse International. |

Where no Swap Agreement is entered into in relation to a Series of Notes, references in this Base Prospectus to the Swap Agreement and the Swap Counterparty shall not be applicable with respect to that Series of Notes.

**Disposal Agent**: Unless otherwise specified in the applicable Issue Terms, the Disposal Agent will be Credit Suisse International. The Issuer may from time to time with the approval of the Trustee (except that the approval of the Trustee shall not be required for the appointment of a replacement Disposal Agent where Noteholders direct the Issuer to appoint such replacement pursuant to the Conditions) and in accordance with the Conditions vary or terminate the appointment of the Disposal Agent and appoint additional or other Disposal Agent(s).

**Calculation Agent**: Unless otherwise specified in the applicable Issue Terms, the Calculation Agent will be Credit Suisse International. The Issuer may from time to time with the approval of the Trustee (except that the approval of the Trustee shall not be required for the appointment of a replacement Calculation Agent where Noteholders direct the Issuer to appoint such replacement pursuant to the Conditions) and in accordance with the Conditions vary or terminate the appointment of the Calculation Agent and appoint additional or other Calculation Agent(s). The Calculation Agent is responsible for making a number of determinations in respect of the Notes under the Master Conditions, including without limitation the following:

(i) determining (if applicable) the Early Cash Redemption Amount, Final Redemption Amount, Instalment Amount and the interest amount payable under the Notes (if any) in accordance with the Conditions;

(ii) determining whether (if specified to be applicable in the relevant Issue Terms) a Collateral Event, Trigger Event, Regulatory Event or Additional Redemption Event has occurred in accordance with the Conditions;

(iii) determining whether or not to suspend payments of interest and/or principal under the Notes on account of a potential Collateral Event; and

(iv) determining whether or not a Sanctions Event has occurred, the Sanctions Event End Date and amounts payable by the Issuer following the Sanctions Event End Date.

See the "*Annex to the CLN Conditions Product Supplement Frequently Asked Questions*" for a brief

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| | overview of the determinations which the Calculation Agent is responsible for in relation to Credit Linked Notes. |
| **CHARACTERISTICS OF THE NOTES** | |
| **Status of Notes**: | Notes of each Series will be secured, limited recourse obligations of the Issuer ranking *pari passu* without any preference among themselves and secured in the manner described in Master Condition 5 (*Security*). Recourse in respect of any Series will be limited to the Mortgaged Property for that Series. Claims of Noteholders, the Swap Counterparty, the Custodian, the Issuing and Paying Agent and any other Secured Creditor shall rank in accordance with the priorities specified in Master Condition 15 (*Application of Available Proceeds or Affected Class Collateral Proceeds*) as it may be amended by the relevant Issue Deed. |
| **Classes**: | Each Series of Notes may comprise different Classes of Notes. Where Classes are applicable, all Classes shall be treated as a single Series and the Notes of each Class shall rank *pari passu* and without any preference amongst themselves. |
| **Restrictions**: | So long as any Note remains outstanding, the Issuer will not, without the consent of the Trustee and the Swap Counterparty engage in any business other than the issuance or entry into of instruments to or with investors and the entry into of related agreements and transactions and the performing of acts incidental thereto or necessary in connection therewith, provided that any instruments issued to or entered into with investors (i) are secured on, or otherwise limited in recourse to, specified assets of the Issuer other than the Issuer's share capital, any fees paid to the Issuer in connection with any such instruments and any assets securing, or to which recourse is otherwise limited in respect of, any series of other instruments (other than Equivalent Obligations) and (ii) contain provisions that limit the recourse of any holder of any such instruments to assets other than the Issuer's share capital, any fees paid to the Issuer in connection with any such instruments and assets to which any series of other instruments (other than Equivalent Obligations) have recourse. In addition, the Issuer will be subject to certain other restrictions including, without limitation, that it will not, without the consent of the Trustee and the Swap Counterparty, declare any dividends, have any subsidiaries or employees, purchase, own, lease or otherwise acquire any real property, consolidate or merge with any other person, convey or transfer its properties or assets substantially as an entity to any person (other than |

as contemplated by the Conditions) or issue any further shares.

**Form of Notes**: The Notes may be issued in bearer form only ("**Bearer Notes**") or in registered form only ("**Registered Notes**"). Each Tranche of Bearer Notes will be represented on issue by a temporary global note (a "**Temporary Global Note**") if (i) definitive Notes are to be made available to Noteholders following the expiry of 40 days after their issue date or (ii) such Notes have an initial maturity of more than one year and are being issued in compliance with the D Rules (as defined in "*U.S. TEFRA Compliance*" below), otherwise such Tranche will be represented by a permanent global note (a "**Permanent Global Note**"). Registered Notes will be represented by certificates (each a "**Certificate**"), one Certificate being issued in respect of each Noteholder's entire holding of Registered Notes of one Series. Certificates representing Registered Notes of one or more tranches of the same Series are referred to as "**Global Certificates**". These may be registered in the name of a nominee for one or more clearing systems.

**Limited Recourse and Non-Petition**: The Notes comprise secured, limited recourse obligations of the Issuer.

In respect of a Series, the Transaction Parties, the Noteholders and the Couponholders shall have recourse only to the Mortgaged Property in respect of such Series and not to any other assets of the Issuer.

If after (i) the Mortgaged Property in respect of such Series is exhausted, whether following liquidation or enforcement of the Security or otherwise, and (ii) application of the proceeds derived from the Mortgaged Property as provided in Master Condition 15 (*Application of Available Proceeds or Affected Class Collateral Proceeds*), any outstanding claim, debt or liability against the Issuer in respect of the Notes of such Series or Transaction Documents relating to the Notes of such Series remains unpaid, then such outstanding claim, debt or liability, as the case may be, shall be extinguished and the Issuer shall have no further obligation in respect thereof.

Following extinguishment in accordance with Master Condition 17(a) (*General limited recourse*), none of the Transaction Parties (save for the Trustee who may lodge a claim in liquidation of the Issuer which is initiated by another party or take proceedings to obtain a declaration or judgment as to the obligations of the Issuer), the Noteholders, the Couponholders or the persons acting on behalf of any of them shall be entitled to take any further

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| | steps against the Issuer or any of its officers, shareholders, members, incorporators, corporate service providers or directors to recover any further sum in respect of the extinguished claim, debt or liability and the Issuer shall have no obligation to any such persons in respect of such further sum in respect of such Series. None of the Transaction Parties, the Noteholders, the Couponholders or the persons acting on behalf of any of them may, at any time, institute, or join with any other person in bringing, instituting or joining, insolvency, administration, bankruptcy, winding-up, examinership or any other similar proceedings (whether court-based or otherwise) in relation to the Issuer or any of its officers, shareholders, members, directors or incorporators or any of its assets, and none of them shall have any claim arising with respect to the assets or property attributable to any other notes issued by, or other Obligations entered into by, the Issuer.<br><br>Such limited recourse and non-petition provisions shall survive maturity of the Notes and the expiration or termination of the agreements to which the Transaction Parties are party. |
| **TERMS OF THE NOTES** | |
| **Mortgaged Property**: | The Notes of each Series will be secured in the manner set out in Master Condition 5 (*Security*), including a charge over the Collateral and an assignment of the Issuer's rights, title and interest relating to the Collateral and against the Custodian to the extent they relate to the Collateral and/or the Notes, and a charge over all sums held from time to time by the Issuing and Paying Agent insofar as such sums relate to that Series, together with an assignment of the Issuer's rights, title and interest under the Swap Agreement relating to that Series. Each Series may also be secured on such additional security as may be described in the applicable Issue Terms. References in this Base Prospectus to "**Security**" are to the security constituted by the Trust Deed for the relevant Series and/or constituted by any other security documents in respect of the relevant Series. |
| **Original Collateral**: | Notes to be admitted to the Official List and to trading on the Regulated Market may only be issued by way of Final Terms under this Base Prospectus where the Original Collateral is CS Original Collateral (as defined in the section of this Base Prospectus entitled "*Original Collateral*").<br><br>In all other cases, the Original Collateral in respect of a Series of Notes will be as specified in the applicable |

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| | Pricing Supplement or Series Prospectus, as the case may be. |
| **Currencies**: | Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in any currency as agreed between the Issuer, the Issuing and Paying Agent and the relevant Dealer(s). |
| **Specified Denomination**: | Notes will be in such denominations as may be specified in the applicable Issue Terms in accordance with all relevant laws, regulations and directives, save that (i) the minimum specified denomination for Notes admitted to trading on an EEA regulated market or a regulated market in the United Kingdom shall be €100,000 (or its equivalent in any other currency as at the date of issue of the Notes) and (ii) unless otherwise permitted by current laws and regulations, Notes (including Notes denominated in British pound sterling ("**Sterling**")) which have a maturity of less than one year and in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of Section 19 of the Financial Services and Markets Act 2000 will have a minimum denomination of £100,000 (or its equivalent in other currencies) and, for the avoidance of doubt, will be issued in compliance with the Central Bank Acts 1942 to 2018 of Ireland (as amended)). |
| **Maturities**: | Subject to compliance with all relevant laws, regulations and directives, any maturity (and, for the avoidance of doubt, will be issued in compliance with the Central Bank Acts 1942 to 2018 of Ireland (as amended)). |
| **Fixed Rate Notes**: | Fixed Rate Notes will bear interest determined separately for each Series at a rate per annum expressed as a percentage equal to the Rate of Interest specified in the applicable Issue Terms. The interest amount (if any) will, subject to the Conditions, be payable in arrear on the date or dates in each year specified in the applicable Issue Terms. |
| **Floating Rate Notes**: | Floating Rate Notes will bear interest determined separately for each Series and, unless otherwise specified in the applicable Issue Terms, will be determined on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc, save as amended in the relevant Issue Terms. The interest amount (if any) will, subject to the Conditions, be payable in arrear on the date or dates in each year specified in the applicable Issue Terms. |

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| **Change of Interest Basis Notes**: | Notes may be issued where the Interest Basis changes from Fixed Rate to Floating Rate or vice versa, as specified in the applicable Issue Terms, on the Interest Period(s) specified in the applicable Issue Terms. |
| **Zero Coupon Notes**: | Zero Coupon Notes may be issued at their nominal amount or at a discount to their nominal amount and will not bear interest, unless payment under the Notes due on the due date for redemption is improperly withheld or refused. |
| **Non-Interest Bearing Notes**: | Notes may be issued that do not bear interest. |
| **Pass-Through Notes**: | Interest payable on a Pass-Through Note will be equal to such Note's *pro rata* share of each interest amount due and payable to the Issuer in respect of all Original Collateral (less any Pass-Through Fee Amount in respect of such Note specified in the applicable Issue Terms) and, unless otherwise specified in the applicable Issue Terms, will be payable two Reference Business Days following each date on which each such interest amount is due and payable. |
| **Credit Linked Notes**: | Credit Linked Notes may be issued in accordance with the Additional CLN Conditions. Such Notes are exposed to the credit risk of the relevant Reference Entit(y)(ies) and may redeem in whole or in part upon the occurrence of a Credit Event and a corresponding Event Determination Date, as further specified in the applicable Issue Terms.<br><br>The applicable Issue Terms will specify whether the Credit Linked Notes are (a) Single Name CLNs; (b) Basket CLNs or (c) Index Linked CLNs (see the section of this Base Prospectus entitled "*Annex to the CLN Conditions Product Supplement Frequently Asked Questions*" for further details). |
| **Collateral Basket Notes**: | Collateral Basket Notes may be issued in accordance with the Additional Collateral Basket Conditions. The Original Collateral relating to such Notes shall consist of two or more Collateral Components, and events affecting one, but not all, of the Collateral Components may result in redemption of some but not all of the Notes.<br><br>Following a Collateral Event in respect of a single Collateral Component, the Notes will redeem either in full or in part (as specified in the relevant Issue Terms).<br><br>Where the Notes are to redeem in full, the Early Cash Redemption Amount will be (i) the net proceeds of liquidation or realisation of all Collateral Components and any other assets in respect of the relevant Series available to the Issuer (other than payments from the Swap Counterparty in respect of the termination of the Swap |

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| | Agreement) plus (ii) any termination payment payable to the Issuer by the Swap Counterparty on the termination of the Swap Agreement, and minus (iii) any termination payment payable to the Swap Counterparty by the Issuer on the termination of the Swap Agreement.<br><br>Where the Notes are to redeem in part, the relevant Collateral Component will be liquidated and the partial value of the Swap Agreement will be determined and paid by the Swap Counterparty to the Issuer or by the Issuer to the Swap Counterparty, as applicable. The net amounts received by the Issuer following such liquidation and any payment reflecting the Partial Swap Value paid to the Issuer shall be applied to redeem the Notes in part (provided that any Partial Swap Value payable by the Issuer shall be deducted from the liquidation proceeds of the relevant Collateral Component).<br><br>Where "Partial Unwind with Shortfall" is specified in the relevant Issue Terms and the net proceeds of liquidation of the relevant Collateral Component are less than the amount owing to the Swap Counterparty by the Issuer in respect of the partial unwind of the Swap, the Disposal Agent shall liquidate additional amounts of Collateral from one or more Collateral Components to make up such Shortfall Amount. |
| **Interest Periods, Interest Accrual Periods and Rates of Interest**: | The length of the interest periods for the Notes and the applicable rate of interest or its method of calculation may differ from time to time or be constant for any Series. The use of interest accrual periods permits the Notes to bear interest at different rates in the same interest period. All such information will be set out in the applicable Issue Terms. |
| **Redemption**: | The applicable Issue Terms will specify the basis for calculating the redemption amounts payable. Unless permitted by then current laws and regulations, Notes (including Notes denominated in Sterling) which have a maturity of less than one year and in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of Section 19 of FSMA must have a minimum redemption amount of £100,000 (or its equivalent in other currencies) per Note. |
| **Redemption by Instalments**: | Where a Series of Notes is redeemable in two or more instalments, the applicable Issue Terms will set out the dates on which, and the amounts at which, such Notes will, subject to the Conditions, be redeemed. |

**Early Redemption for Events of Default, Tax or Other Reasons**:

The Notes may be redeemed prior to or following the Maturity Date:

(i) upon the occurrence of certain tax events with respect to the Notes or the Original Collateral;

(ii) upon the occurrence of certain events with respect to the Original Collateral (the particulars of which will be specified on a series by series basis in the applicable Issue Terms (for further information see the section of this Base Prospectus entitled "*Risk Factors*"));

(iii) if specified to be applicable in the Issue Terms, upon the value of the Original Collateral and the value of the Swap Agreement falling to or beneath a certain level;

(iv) if specified to be applicable in the Issue Terms, upon the occurrence of certain regulatory events (for further information see the section of this Base Prospectus entitled "*Risk Factors*");

(v) upon the termination of the Swap Agreement;

(vi) upon certain benchmark related events occurring; or

(vii) if specified to be applicable in the Issue Terms, upon the occurrence of an Additional Redemption Event (the specifics of which will be set out in the applicable Issue Terms).

Any redemption following the Maturity Date would be as a result of a redemption being triggered prior to the Maturity Date but with the resultant liquidation process not being completed until after the Maturity Date.

In addition, either the Noteholders and/or the Trustee (dependent on the relevant event and as specified in the Conditions) may have the right to direct a redemption of the Notes upon the occurrence of an Event of Default with respect to the Notes, the occurrence of certain default events relating to the Original Collateral or upon the bankruptcy or certain defaults of the Swap Counterparty.

In such circumstances, the Disposal Agent may be required to liquidate some or all of the Collateral and the Swap Agreement will be terminated in accordance with its terms. The amount payable or transferable to Noteholders in such circumstances will be the Early Redemption Amount.

If "Cash Settlement" is specified as the Early Redemption Settlement Method or if no method is specified, the Early Redemption Amount will be the Early Cash Redemption Amount.

If "Noteholder Settlement Option" is specified in the applicable Issue Terms and a Noteholder elects or is deemed to have elected to receive the Early Cash Redemption Amount, the Early Redemption Amount payable by the Issuer to such Noteholder will be the Early Cash Redemption Amount, being, broadly, each Note's *pro rata* share of an amount equal to:

(i) the net proceeds of liquidation or realisation of the Collateral and any other assets in respect of the relevant Series available to the Issuer (other than payments from the Swap Counterparty in respect of the termination of the Swap Agreement) plus any applicable rounding amounts by virtue of the Issuer having to pay any Physical Redemption Amounts (see below); plus

(ii) any termination payment payable to the Issuer by the Swap Counterparty on the termination of the Swap Agreement; and minus

(iii) any termination payment payable to the Swap Counterparty by the Issuer on the termination of the Swap Agreement.

If "Noteholder Settlement Option" is specified in the applicable Issue Terms and a Noteholder does not elect or is not deemed to have elected to receive the Early Cash Redemption Amount, the Early Redemption Amount payable by the Issuer to such Noteholder will be the Physical Redemption Amount, being, broadly, a combination of an amount of assets and/or cash equal to each Note's *pro rata* share (amongst only those Notes in respect of which a Physical Redemption Amount is payable) of an amount equal to:

(i) any Original Collateral remaining after certain amounts of such Original Collateral (if any) are liquidated, rounded down to the nearest integral multiple of the denomination of the Original Collateral; plus

(ii) any cash amounts derived from any rounding contemplated by (i) above; plus

(iii) (a) the net proceeds of liquidation or realisation of the Collateral and any other assets in respect of the relevant Series available to the Issuer (other than the cash amounts contemplated under (ii) above, and payments from the Swap Counterparty in respect of the termination of the Swap Agreement, and other than all the net proceeds of liquidation or realisation of Original

Collateral solely attributable to those Noteholders entitled to receive an Early Cash Redemption Amount); plus

(b) any termination payment payable to the Issuer by the Swap Counterparty on the termination of the Swap Agreement; and minus

(c) any termination payment payable to the Swap Counterparty by the Issuer on the termination of the Swap Agreement.

If the applicable Issue Terms specify that Classes apply, the Early Redemption Amount payable by the Issuer to such Noteholder will be the Early Cash Redemption Amount being, broadly, each Note's *pro rata* share of an amount equal to:

(i) the net proceeds of liquidation or realisation of the portion of Collateral relating to such Class of Notes redeeming early; plus

(ii) any termination payment payable to the Issuer by the Swap Counterparty in respect of the transaction under the Swap Agreement relating to the Class of Notes redeeming early; minus

(iii) any termination payment payable to the Swap Counterparty by the Issuer in respect of the transaction under the Swap Agreement relating to the Class of Notes redeeming early; plus

(iv) where the Class of Notes redeeming early is the sole remaining Class of Notes, any cash remaining from any rounding up of Collateral to the next tradable unit in respect of the redemption of other Classes.

The Early Redemption Amount of a Note may be less than or may have a value of less than the Specified Denomination of that Note and may be zero.

In addition, on a redemption of the Notes other than on their final redemption on the Maturity Date or on an Instalment Date at the Instalment Amount, the Issuer or the Trustee (as the case may be) will apply available sums or assets in accordance with the order of priority set out in Master Condition 15 (*Application of Available Proceeds or Affected Class Collateral Proceeds*). Such sums or assets may not be sufficient to meet the claims of the Secured Creditors against the Issuer in respect of the Series and, accordingly, following application in accordance with the order of priority there may not be sufficient sums or assets available to satisfy the Issuer's obligation to pay the Early Redemption Amount in full or at all. See further the section

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| | of this Base Prospectus entitled "*Overview of the Programme – Limited Recourse and Non-Petition*". |
| **Cross Default**: | None. |
| **Withholding Tax**: | All payments in respect of the Notes will be made subject to any withholding or deduction for, or on account of, any present or future taxes, duties or charges of whatsoever nature that the Issuer or any Agent is required by applicable law to make (and any withholding required by an Information Reporting Regime shall be deemed to be required by applicable law). In that event, the Issuer or such Agent shall make such payment after such withholding or deduction has been made and shall account to the relevant authorities for the amount(s) so required to be withheld or deducted. This may result in the early redemption of the Notes – see the section of this Base Prospectus entitled "*Overview of the Programme – Early Redemption for Events of Default, Tax or Other Reasons*". Neither the Issuer nor any Agent will be obliged to make any additional payments to holders of Notes in respect of such withholding or deduction. |
| **Sanctions**: | Any obligations under the Transaction Documents will be suspended for the duration of a Sanctions Event. See (i) Master Condition 10(h) (*Suspension of obligations following a Sanctions Event*) and (ii) the section of this Base Prospectus entitled "*Risk Factors*". |
| **Further Issues**: | The Issuer may from time to time issue further Notes of any Series (or Class thereof) on the same terms as existing Notes and such further Notes shall be consolidated and form a single Series (or Class thereof) with such existing Notes of the same Series (or Class thereof); provided that, unless otherwise sanctioned by an Extraordinary Resolution, the Issuer provides, in accordance with Master Condition 21 (*Further Issues*), additional assets as security for such further Notes. |
| **Meetings of Noteholders and modifications to Note terms**: | The Conditions of the Notes contain provisions for convening meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders of a Series, including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.<br><br>In certain circumstances the Trustee may agree to modify the terms and conditions of the Notes without the consent of the Noteholders. |
| **Substitution of Issuer**: | The Trustee may in certain circumstances, with the prior written consent of the Swap Counterparty but without the |

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| | consent of the Noteholders or the Couponholders, agree to a substitution of any other company in the place of the Issuer as principal debtor under the Trust Deed, Notes, Receipts, Coupons and Talons, as applicable. |
| **Governing Law**: | English. |
| **ISSUANCE DETAILS** | |
| **Method of Issue**: | The Notes will be issued in Series (which may consist of different Classes), with the Notes of each Series being intended to be interchangeable with all other Notes of that Series (or Class thereof). Each Series (or Class thereof) may be issued in Tranches on the same or different issue date(s). The specific terms of each Tranche (which will be completed, where necessary, with supplemental terms and conditions and, save in respect of the issue date, issue price, first payment of interest and nominal amount of the Tranche, will be identical to the terms of other Tranches of the same Series (or Class thereof)) will be completed in the applicable Issue Terms. |
| **Issue Price of the Notes**: | Notes may be issued at their nominal amount or at a discount or premium to their nominal amount. |
| **Clearing Systems**: | Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking, S.A. ("**Clearstream, Luxembourg**") and, in relation to any Tranche, such other clearing system as may be agreed between the Issuer, the Issuing and Paying Agent, the Trustee and the relevant Dealer. |
| **Initial Delivery of Notes**: | On or before the issue date for each Tranche, if the relevant Global Note is a new global note (an "**NGN**") or the relevant Global Certificate is held under the New Safekeeping Structure (the "**NSS**"), the Global Note or Global Certificate will be delivered to a common safekeeper for Euroclear and Clearstream, Luxembourg (the "**Common Safekeeper**"). On or before the issue date for each Tranche, if the relevant Global Note is a classic global note (a "**CGN**") or the relevant Global Certificate is not held under the NSS, the Global Note representing Bearer Notes or the Global Certificate representing Registered Notes may be deposited with a common depositary for Euroclear and Clearstream, Luxembourg. Global Notes or Global Certificates may also be deposited with any other clearing system or may be delivered outside any clearing system provided that the method of such delivery has been agreed in advance by the Issuer, the Issuing and Paying Agent, the Trustee and the relevant Dealer. Registered Notes that are to be credited to one or more clearing systems on issue will be |

registered in the name of nominees or a common nominee for such clearing systems.

**Listing and Admission to Trading**: Application may be made to Euronext Dublin for certain Notes issued under the Programme during the 12 months from the date of this Base Prospectus to be admitted to the Official List and to trading on its Regulated Market. No assurance can be given that such an application to admit Notes to the Official List and to trading on its Regulated Market or GEM will be successful. Euronext Dublin is a regulated market for the purposes of MiFID II.

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

**Rating**: The Programme is not rated.

**Selling Restrictions**: The United States, the Public Offer Selling Restriction under the Prospectus Regulation, the United Kingdom, Switzerland, the Netherlands, Singapore, Ireland, Hong Kong and any other jurisdiction relevant to any Series. See the section of this Base Prospectus entitled "*Subscription and Sale*" and the applicable Issue Terms.

The Issuer is Category 2 for the purposes of Regulation S under the Securities Act, as amended.

**U.S. TEFRA Compliance**: Notes in bearer form will be issued:

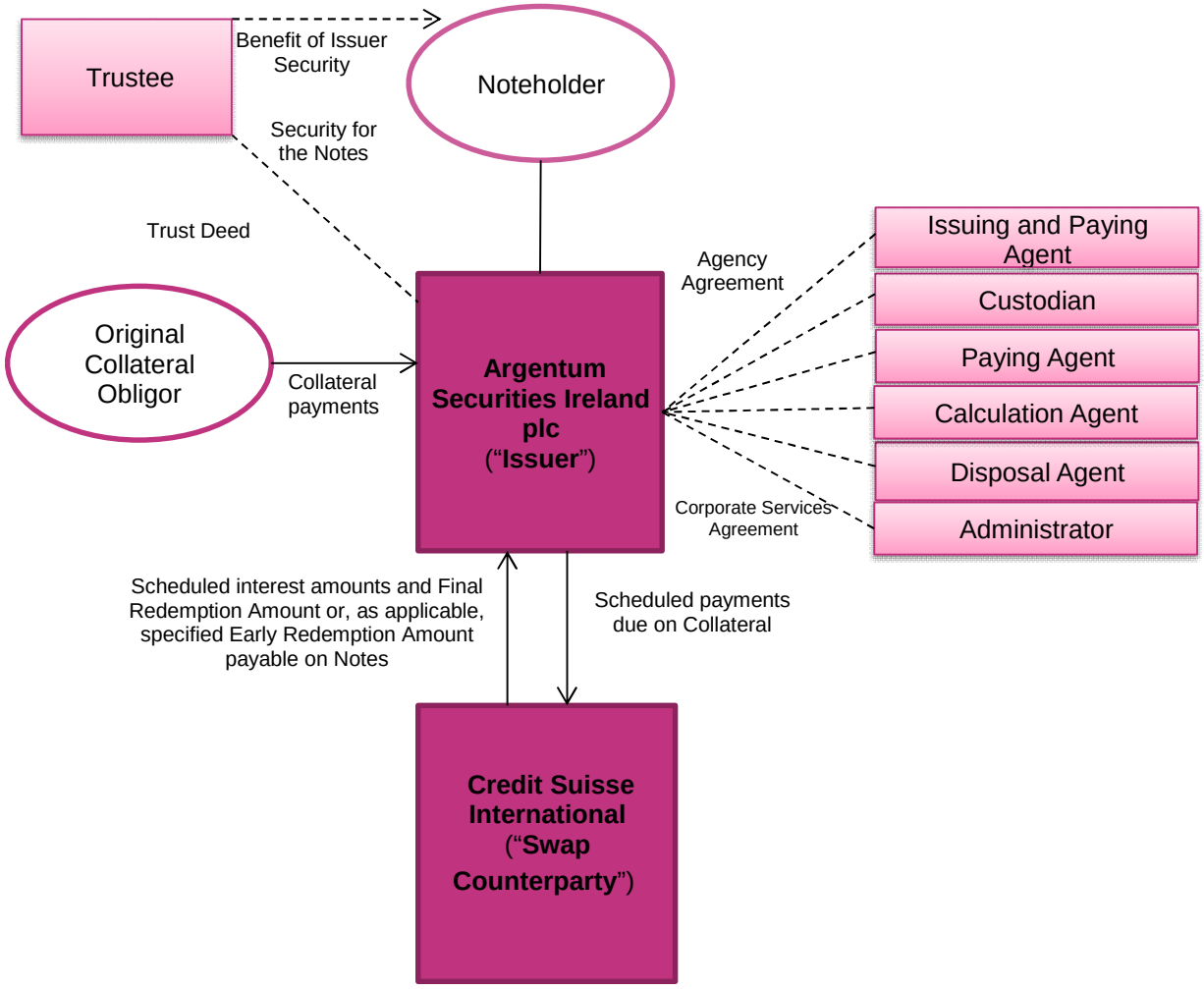
(i) in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(C) (or any successor rules that are applicable for purposes of Section 4701 of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**")) (the "**C Rules**");

(ii) in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(D) (or any successor rules that are applicable for purposes of Section 4701 of the Code) (the "**D Rules**"); or

(iii) other than in compliance with the C Rules or the D Rules but in circumstances in which the Notes will not constitute "registration required obligations" under the United States Tax Equity and Fiscal Responsibility Act of 1982 ("**TEFRA**"), which circumstances will be referred to in the applicable Issue Terms as a transaction to which TEFRA is not applicable.

## TRANSACTION STRUCTURE DIAGRAM

The diagram below is intended to provide an overview of the structure of a standard repackaging transaction. Prospective Noteholders should review the detailed information set out elsewhere in this Base Prospectus and the specific Issue Terms for a description of the transaction structure and relevant cashflows prior to making any investment decision. In the diagram below dotted lines represent contractual relationships and solid lines represent cashflows.



# RISK FACTORS

**Warning: The terms and conditions of certain Notes issued under this Base Prospectus may not provide for scheduled repayment in full of the issue or purchase price at maturity. In such case, you may lose some or all of your original investment.**

**Even if the relevant Notes do provide for scheduled repayment in full of the issue or purchase price at maturity or upon mandatory early redemption or optional early redemption of the Notes (in whole or in part), you will still be exposed to the credit risk of the Issuer or the Swap Counterparty and will lose up to the entire value of your investment if the Issuer or the Swap Counterparty either fails or is otherwise unable to meet its payment obligations.**

**You may also lose some or all of your investment if:**

- **You sell your Notes prior to maturity in the secondary market at an amount that is less than your initial purchase price; or**
- **Your Notes are redeemed early under their terms and conditions at the discretion of the Issuer and the early redemption amount paid to you is less than the initial purchase price.**

*The Issuer believes that the following factors may affect its ability to fulfil its scheduled obligations under the Notes issued under the Programme.*

*Factors which the Issuer believes may be material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described below.*

*The Issuer believes that the factors described below represent the principal risks inherent in investing in Notes issued under the Programme, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with any Notes or the reduction of any such amounts may occur for other reasons not set out herein and the Issuer does not represent that the statements below regarding the risks of holding any Notes are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus and the applicable Issue Terms, and reach their own views prior to making any investment decision.*

## 1 Risks relating to the Issuer

### (a) The Issuer is a special purpose vehicle

The Issuer is a special purpose vehicle established for the purpose of issuing asset backed securities. The Issuer has covenanted (amongst other things) that, as long as any Note remains outstanding, it will not, except as otherwise provided for or contemplated in the Conditions or any Transaction Document, engage in any business other than the entry into of bonds, notes or other securities or the entry into of loans or other agreements for the payment or repayment of borrowed money, subject always to the restrictions set out in the Trust Deed and the Conditions.

For further information on the restrictions on the Issuer's activities, see the section of this Base Prospectus entitled "*Description of the Issuer – Special Purpose Vehicle*".

As such, Noteholders should be aware that 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 Notes or entry into other obligations from time to time and any Mortgaged Property

and any other assets on which Notes or other obligations are secured (or otherwise limited in recourse to specified assets).

**(b) Substitution of the Issuer**

In certain circumstances the Issuer of the Notes may be substituted pursuant to the provisions of Master Condition 19(c) (*Substitution*). The Trustee may without the consent of any Noteholders or Couponholders but with the prior written consent of the Swap Counterparty agree to a substitution of the Issuer in certain circumstances, which may include, where (i) Noteholders would suffer adverse tax consequences if the Issuer was not substituted or (ii) it becomes illegal for the Issuer to perform any of its obligations under the Notes. In connection with such substitution the Trustee may also agree, without the consent of the Noteholders or the Couponholders to a change in the law governing the Notes, the Receipts, the Coupons, the Talons and/or the Trust Deed and/or any other Transaction Document, provided that, such change would not in the opinion of the Trustee be materially prejudicial to the interests of the Noteholders. The Transaction Documents will also be amended to the extent necessary to reflect any necessary changes following a change in Issuer and/or governing law (as further described below under the risk factor entitled "*Modification, waivers and substitution*").

**(c) FATCA and the possibility of U.S. withholding tax on payments**

(i) *Background*

A payment with respect to a Note, the Collateral (if any) or the Swap Agreement (if any) could be subject to U.S. withholding both under FATCA and as a result of being treated as a dividend equivalent payment. The maximum rate of U.S. withholding on such payment would not exceed 30 per cent.

(ii) *Possible impact on payments on Collateral (if any) and Swap Agreement (if any)*

If the Issuer fails to comply with its obligations under FATCA (including the IGA entered into between Ireland and the United States to implement FATCA and any IGA legislation thereunder), it may be subject to FATCA Withholding on all, or a portion of, payments it receives with respect to the Original Collateral or the Swap Agreement (in each case, if any). 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 or the Swap Agreement with respect to a Series. No other funds will be available to the Issuer or any other Transaction Party to make up any such shortfall and, as a result, the Issuer may not have sufficient funds to satisfy its payment obligations to Noteholders. Additionally, if payments to the Issuer in respect of the Original Collateral are, will become or are deemed on any test date to be subject to FATCA Withholding, the Notes will be subject to early redemption (see the risk factor entitled "*Risks relating to the Notes – Early redemption for Events of Default, tax or other reasons*" below). No assurance can be given that the Issuer can or will comply with its obligations under FATCA or that the Issuer will not be subject to FATCA Withholding.

(iii) *Possible impact on payments on the Notes*

The Issuer may be required to withhold amounts from Noteholders (including intermediaries through which such Notes are held) that are foreign financial institutions that are not compliant with, or exempt from, FATCA or Noteholders that do not provide the information, documentation or certifications required for the Issuer to comply with its

obligations under FATCA. Additionally, the Issuer is also permitted to make any amendments to the Notes and the Swap Agreement (if any) as may be necessary to enable the Issuer to comply with its obligations under FATCA (including the Irish IGA and any IGA legislation thereunder) and any such amendment will be binding on the Noteholders.

Neither a Noteholder nor a beneficial owner of Notes will be entitled to any additional amounts in the event FATCA withholding tax is imposed on any payments on or with respect to the Notes. As a result, Noteholders may receive less interest or principal, as applicable, than expected. FATCA is particularly complex and its application to the Issuer, the Notes and the Noteholders is subject to change. Potential investors should consult their own tax advisors regarding how these rules may apply to their investment in the Notes.

(iv) *Possible redemption of the Notes*

If the Issuer determines that any Noteholder, Couponholder or beneficial owner of Notes has failed to provide sufficient forms, documentation or other information in accordance with Master Condition 12(b) (*Provision of information*) such that any payment received by the Issuer may be subject to a deduction or withholding or the Issuer may suffer a fine or penalty, in each case, pursuant to an Information Reporting Regime, the Notes shall redeem early at their Early Redemption Amount (as further described in the risk factor entitled "*Early Redemption for Events of Default, tax or other reasons*" below).

FATCA is particularly complex and its application to the Issuer, the Notes and the Noteholders is subject to change.

**(d) Information reporting obligations and consequential amendments**

Information relating to the Notes, their holders and beneficial owners may be required to be provided to tax authorities in certain circumstances pursuant to domestic or international reporting and transparency regimes (including, without limitation, in relation to FATCA). This may include (but is not limited to) information relating to the value of the Notes, amounts paid or credited with respect to the Notes, details of the holders or beneficial owners of the Notes and information and documents in connection with transactions relating to the Notes. In certain circumstances, the information obtained by a tax authority may be provided to tax authorities in other countries. Some jurisdictions operate a withholding system in place of, or in addition to, such provision of information requirements. Pursuant to the Conditions of the Notes and subject to certain limitations, a holder or beneficial owner of Notes is required to provide information reasonably requested by the Issuer and/or any agent acting on behalf of the Issuer for purposes of the Issuer's or such agent's compliance with applicable information reporting regimes. If, for a Series, any Noteholder or beneficial owner fails to provide any information so requested by the Issuer, the Issuer may withhold amounts from Noteholders (including intermediaries through which such Notes are held) or such Series may be the subject of an early redemption.

Additionally, the Issuer is permitted, subject to the fulfilment of certain requirements set out in Master Condition 12(c) (*Consequential amendments*), to make any amendments (other than an amendment that would require a "special quorum resolution" as defined in the Trust Deed) to the terms of the Notes, the Swap Agreement and any other Transaction Document (except for the Programme Deed) as may be necessary to enable the Issuer to comply with its

obligations under FATCA (including the IGA entered into between Ireland and the United States to implement FATCA and any IGA legislation thereunder) or its obligations under any legislation or agreements relating to any applicable Information Reporting Regime and any such amendment will be binding on the Noteholders.

Neither a Noteholder nor a beneficial owner of Notes will be entitled to any additional amounts if FATCA Withholding or any other withholding or deduction or charge in connection with an Information Reporting Regime is imposed on any payments on or with respect to the Notes. As a result, Noteholders may receive less interest or principal, as applicable, than expected.

Each Noteholder should consult its own tax adviser to obtain a more detailed explanation of FATCA and the other Information Reporting Regimes and to learn how FATCA and the other Information Reporting Regimes might affect such Noteholder in light of its particular circumstances.

### (e) No regulation of the Issuer by any regulatory authority

The Issuer is a public limited company registered in Ireland and therefore subject to the provisions of the Companies Act 2014, as may be amended from time to time. The Office of the Director for Corporate Enforcement is responsible for investigating and supporting the possible initiation of criminal proceedings in cases of suspected breaches of company law.

The Issuer is not required to be licensed, registered or authorised under any current securities, commodities or banking laws of its jurisdiction of incorporation and will operate without supervision by any authority in any jurisdiction. There is no assurance, however, that regulatory authorities in one or more jurisdictions would not take a contrary view regarding the applicability of any such laws to the Issuer. The taking of a contrary view by such regulatory authority could result in the Issuer being required by such regulator to obtain licenses, registrations and/or authorisation or being made subject to certain regulations which could, in turn, have an adverse impact on the Issuer or the holders of Notes.

### (f) Anti-money laundering

The Issuer may be subject to anti-money laundering legislation in its jurisdiction of incorporation. If the Issuer were determined by the relevant authorities to be in violation of any such legislation, it could become subject to substantial criminal penalties. Any such violation could materially and adversely affect the timing and amount of payments made by the Issuer to Noteholders in respect of the Issuer's Notes.

## 2 Risks relating to the Issuer as an Irish entity

### (a) Preferred creditors and floating charges under Irish law

Depending on the level of control actually exercised by the Trustee, it is possible that security created by the Issuer pursuant to the Security Documents would be regarded by the Irish courts as creating a floating charge. For further information see the section of this Base Prospectus entitled "*Irish Tax and Regulatory Considerations – Preferred creditors and floating charges under Irish law*".

Under Irish law, floating charges have certain weaknesses, including the following:

(a) they have weak priority against purchasers (who are not on notice of any negative pledge contained in the floating charge) and chargees of the assets concerned and against lien holders, execution creditors and creditors with rights of set-off;

(b) they rank after certain preferential creditors, such as claims of employees and certain taxes on winding up even if crystallised prior to the commencement of the winding-up;

(c) they rank after certain insolvency remuneration expenses and liabilities;

(d) the examiner of a company has certain rights to deal with the property covered by floating charges; and

(e) they rank after fixed charges.

If a fixed charge is recharacterised as a floating charge under Irish law, this may adversely affect the priority in which the relevant Noteholders may receive amounts owing to them upon the enforcement of security.

**(b) Examinership**

Examination is a court procedure available under the Companies Act 2014 to facilitate the survival of Irish companies in financial difficulties. For further information see the section of this Base Prospectus entitled "*Irish Tax and Regulatory Considerations – Examinership*".

Noteholders should be aware that, if an examiner were appointed to the Issuer, the following primary risks may have an impact on their investment in the Notes:

(a) the potential for a compromise or scheme of arrangement being approved involving the writing down or rescheduling of the debt due from the Issuer to the Noteholders as secured by the Security Documents;

(b) the potential for the examiner to seek to set aside any negative pledge in the Transaction Documents prohibiting the creation of security or the incurring of borrowings by the Issuer to enable the examiner to borrow to fund the Issuer during the protection period; and

(c) in the event that a scheme of arrangement is not approved and the Issuer subsequently goes into liquidation, the examiner's remuneration and expenses (including certain borrowings incurred by the examiner on behalf of the Issuer and approved by the relevant Irish court) will take priority over the monies and liabilities which from time to time are or may become due, owing or payable to each of the Noteholders under the Notes or the other Transaction Documents and which are secured by the security granted pursuant to the Security Documents.

**(c) Changes in Irish tax law**

To the extent that changes in Irish tax law or current interest withholding tax exemption conditions no longer being fulfilled result in imposition of a withholding tax, interest payments to Noteholders may be reduced by the amount of tax required to be withheld by the Issuer. For further information see the section of this Base Prospectus entitled "*Irish Tax and Regulatory Considerations*".

Interest payments on the Notes may be subject to Irish withholding tax if there is a change in Irish tax law or if the various exemption conditions set out in the section of this Base Prospectus entitled "*Taxation – Irish Tax Considerations*" are not fulfilled. The Issuer is not obligated to

gross up or otherwise compensate Noteholders for withholding taxes incurred. This may, therefore, affect the return which Noteholders receive on the Notes.

Changes in Irish tax laws may adversely impact the Issuer's business and the value of the Noteholders' investment.

The Issuer is treated as a securitisation vehicle which is taxed pursuant to Section 110 of the Taxes Consolidation Act 1997 ("**TCA**"). There is no guarantee that the tax treatment of an Irish securitisation company will not change in the future. The tax deductibility of the Issuer's interest costs will depend on the applicability of Section 110 TCA and the current revenue practice in relation to that matter. If these rules change this may have an impact on the return for Noteholders.

### (d) Action Plan on Base Erosion and Profit Shifting

Action 6 from the Organisation for Economic Co-operation and Development's project on Base Erosion and Profit Shifting ("**BEPS**") is the prevention of treaty abuse by developing model treaty provisions to prevent the granting of treaty benefits in inappropriate circumstances. Action 6 would be implemented into Irish double tax treaties by the inclusion of a principal purpose test ("**PPT**"); namely, where it is reasonable to conclude, having regard to all relevant facts and circumstances for this purpose, that obtaining that benefit was one of the principal purposes of any arrangement or transaction that resulted directly or indirectly in that benefit, unless it is established that granting that benefit in those circumstances would be in accordance with the object and purpose of the relevant provisions of the treaty. It is currently unclear how a PPT, if adopted, would be applied by either the tax authorities of those jurisdictions from which payments are made to the Issuer. For further information see the section of this Base Prospectus entitled "*Irish Tax and Regulatory Considerations – Action Plan on Base Erosion and Profit Shifting*".

If the Issuer is denied the benefit of a treaty entered into by Ireland because of the PTT, payments of interest on the Original Collateral by an Original Collateral Obligor to the Issuer could become subject to a withholding or deduction for or on account of tax. This may constitute an Original Collateral Tax Event which would result in an early redemption of the Notes.

### (e) Impact of EU Anti-Tax Avoidance Directive I and EU Anti-Tax Avoidance Directive II

As part of its anti-tax avoidance package, and to provide a framework for a harmonised implementation of the BEPS conclusions across the EU, the EU Council adopted Council Directive (EU) 2016/1164 ("**ATAD I**") on 12 July 2016. The EU Council adopted Council Directive (EU) 2017/952 ("**ATAD II**" and, together with ATAD I, the "**ATAD**") on 29 May 2017 to provide for minimum standards for counteracting hybrid mismatches involving EU member states and third countries. For further information see the section of this Base Prospectus entitled "*Irish Tax and Regulatory Considerations – EU Anti-Tax Avoidance Directive*".

Whilst the impact of ATAD (as implemented in Ireland) on the Issuer is still not yet clear, ATAD may result in a tax being imposed on an Issuer to the extent that the Issuer derives income other than interest income or income equivalent to interest from its underlying assets and transactions. If this is the case, the Notes may be redeemed early, and the amount payable to Noteholders upon such early redemption will be reduced by an amount necessary for the relevant Issuer to cover its (actual or future estimated) tax liability in connection with the Notes.

## 3 Risks relating to the Notes

### (a) Amounts payable to Noteholders on early redemption

The amount payable to a Noteholder upon an early redemption will be either:

(i) where Cash Settlement is specified in the applicable Issue Terms or where Noteholder Settlement Option is specified in the applicable Issue Terms and such Noteholder has elected or is deemed to have elected to receive the Early Cash Redemption Amount, an amount per Note equal to the Early Cash Redemption Amount; or

(ii) if Noteholder Settlement Option is specified in the applicable Issue Terms and such Noteholder does not elect or is not deemed to have elected to receive the Early Cash Redemption Amount, an amount per Note equal to the Physical Redemption Amount.

Where Classes are applicable in respect of a Series of Notes and the applicable Issue Terms specify that where one Class of Notes redeems early, all Classes of Notes shall redeem early (as further described below in the section of this Base Prospectus entitled "*All Classes of Notes may be redeemed as a result of an Early Redemption Commencement Date that occurs in respect of certain Class(es) of Notes only*"), an Early Cash Redemption Amount shall be determined in respect of each Class of Notes. If, however, the applicable Issue Terms specify that one Class of Notes may redeem early without triggering the early redemption of all Classes of Notes: (i) the Swap Agreement will be deemed to comprise only the Swap Transaction in respect of the relevant Class and the portion of the Credit Support Annex relating thereto, (ii) where either of the Issuer or the Swap Counterparty have a Credit Support Balance under the Credit Support Annex, a proportion of such Credit Support Balance determined to relate to the Swap Transaction for the relevant Class shall be taken into account in determining an Unpaid Amount, and (iii) any early termination payment of the Swap Agreement payable by the Issuer shall be limited to the value of the portion of Original Collateral attributable to the relevant Class.

The Noteholders will be paid such amounts and/or delivered such assets, as the case may be, after payment of any priority claims in accordance with the Conditions. There is no assurance that in such circumstances the proceeds and/or assets available following payment of any such priority claims will be sufficient to pay or deliver, as the case may be, in full the amounts that holders of the relevant Notes would expect to receive in the event that the Notes redeemed in accordance with their terms on their Maturity Date or that such holders will receive back the amount, or assets with a value equal to the amount, they originally invested.

In both cases, the Noteholders will be exposed to the market value of the Collateral and the Swap Agreement (for a consideration of factors that may impact such values see "*Market value of Notes*" below).

### (b) Limited recourse obligations

The Notes are direct, secured (or otherwise limited in recourse to specified assets), limited recourse obligations of the Issuer payable solely out of the Mortgaged Property over which security is given by the Issuer in favour of the Trustee on behalf of the Noteholders and other Secured Creditors. Payments due in respect of the Notes prior to redemption or acceleration thereof will be made solely out of amounts received by or on behalf of the Issuer in respect of the Mortgaged Property. The Issuer will have no other assets or sources of revenue available for payment of any of its obligations under the Notes. No assurance can be made that the

proceeds available for and allocated to the repayment of the Notes at any particular time will be sufficient to cover all amounts that would otherwise be due and payable in respect of the Notes. If the proceeds of the realisation of the Security received by the Trustee for the benefit of the Noteholders prove insufficient to make payments on or deliveries under the Notes, as the case may be, no other assets will be available for payment or delivery in respect of the shortfall, and, following distribution of the proceeds of such realisation, any outstanding claim against the Issuer in relation to the Notes shall be extinguished and no debt shall be owed by the Issuer in respect thereof.

Further, only the Trustee may pursue remedies against the Issuer for any breach by the Issuer of the terms of the Trust Deed, the Notes or the Coupons and no Noteholder or Couponholder shall be entitled to proceed directly against the Issuer unless the Trustee, having become bound to proceed in accordance with the terms of the Trust Deed, fails to do so within a reasonable period and such failure is continuing. In addition, in respect of any failure by the Issuer to make payment or delivery of the Final Redemption Amount and/or any interest or Instalment Amount that became due and payable on the Maturity Date, no Secured Creditor may direct the Trustee to pursue any remedies against the Issuer for any breach by the Issuer of the terms of the Trust Deed, the Notes or the Coupons until the Relevant Payment Date, which is the tenth Reference Business Day after the Maturity Date.

In addition, only the Trustee may enforce the Security over the Mortgaged Property in accordance with, and subject to, the terms of the Trust Deed.

No person other than the Issuer will be obliged to make payments on or deliveries under the Notes.

**(c) Meetings of Noteholders, written resolutions, modification, waivers and substitution**

The Trust Deed contains provisions for calling meetings of Noteholders to consider matters affecting their interests generally and to obtain written resolutions on matters relating to the Notes from Noteholders without calling a meeting. A written resolution signed by or on behalf of the holders of not less than 75 per cent. in principal amount of the Notes of the Relevant Noteholder Proportion who for the time being are entitled to receive notice of a meeting in accordance with the provisions of the Trust Deed and whose Notes are then outstanding will, for all purposes, be deemed to be an Extraordinary Resolution. In certain circumstances, where the Notes are held on behalf of a clearing system, the Issuer and the Trustee will be entitled to rely upon approval of a resolution proposed by the Issuer or the Trustee (as the case may be) given by way of electronic consents communicated through the electronic communication systems of the relevant clearing system(s) in accordance with their operating rules and procedures by or on behalf of the holders of not less than 75 per cent. in aggregate nominal amount of the Notes of the Relevant Noteholder Proportion for the time being outstanding, and such electronic consents shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Noteholders of the Relevant Noteholder Proportion duly convened and held. A written resolution or an electronic consent described above may be effected in connection with any matter affecting the interests of Noteholders, including the modification of the Conditions, that would otherwise be required to be passed at a meeting of Noteholders satisfying the special quorum in accordance with the provisions of the Trust Deed. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting or in respect of the relevant resolution (or

participate in the written resolution or electronic consent, as the case may be) and Noteholders who voted in a manner contrary to the majority (either in a meeting or by written resolution). The Trustee may, in certain circumstances and without the consent of Noteholders, (i) agree to certain modifications of, or the waiver or authorisation of any breach or proposed breach of, the provisions of the Notes, (ii) determine that any Event of Default or potential Event of Default shall not be treated as such or (iii) agree to the substitution of another entity as principal debtor under any Notes in place of the Issuer.

**(d) Modification, waivers and substitution**

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

The Conditions of the Notes also provide that the Trustee (i) may in certain circumstances and without the consent of Noteholders, agree to any modification of any of the Conditions or any of the provisions of the Transaction Documents that in the opinion of the Trustee is of a formal, minor or technical nature or is made to correct a manifest error, (ii) may agree, without the consent of the Noteholders, to any other modification (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach of any of the Conditions or any provisions of the Transaction Documents that in the opinion of the Trustee is not materially prejudicial to the interest of the Noteholders or (iii) may agree without the consent of the Noteholders to the substitution of another company as principal debtor under any Notes in place of the Issuer, subject to the prior written consent of the Swap Counterparty. Any such amendments and/or substitution could adversely affect the Notes and the Noteholders may suffer losses arising out of such amendments and/or substitutions.

**(e) Trustee indemnity and remuneration**

In certain circumstances, the Noteholders may be dependent on the Trustee to take certain actions in respect of a Series of Notes, in particular if the Security in respect of such Series becomes enforceable under the Conditions. Prior to taking such action, the Trustee may require to be indemnified and/or secured and/or pre-funded to its satisfaction. If the Trustee is not indemnified and/or secured and/or pre-funded to its satisfaction it may decide not to take such action and such inaction will not constitute a breach by it of its obligations under the Trust Deed. Consequently, the Noteholders would have to either arrange for such indemnity and/or security and/or pre-funding or accept the consequences of such inaction by the Trustee. Noteholders should be prepared to bear the costs associated with any such indemnity and/or security and/or pre-funding and/or the consequences of any such inaction by the Trustee. Such inaction by the Trustee will not entitle Noteholders to take action directly against the Issuer to pursue remedies for any breach by the Issuer of the Trust Deed, the Notes or the Coupons (although the events giving rise to the need for Trustee action might also permit the Noteholders to exercise certain rights directly under the Conditions).

So long as any Note is outstanding, the Issuer shall pay the Trustee remuneration for its services. Such remuneration may reduce the amount payable to Noteholders.

**(f) Priority of claims**

During the term of the Notes, following a Liquidation or on an enforcement of the Security, the rights of the Noteholders to be paid amounts or delivered assets due under the Notes will be

subordinated to (i) amounts owing to the Swap Counterparty pursuant to the Credit Support Annex, (ii) the payment or satisfaction of all taxes owing by the Issuer, (iii) the fees, costs, charges, expenses and liabilities due and payable to the Trustee including costs incurred in the enforcement of the Security (including any taxes to be paid, legal fees and remuneration) (iv) certain amounts owing to the Custodian, the Issuing and Paying Agent and the other Agents in respect of reimbursement for sums paid by them in advance of receipt by them of the funds to make such payment and fees, costs, charges, expenses and liabilities, (v) fees of the Disposal Agent, (vi) any amounts owing to the Swap Counterparty under the Swap Agreement, (vii) the fees of the Corporate Services Provider owing by the Issuer and (viii) any other claims as specified in the Conditions as may be amended by the Issue Deed relating to the relevant Series of Notes, that rank in priority to the Notes. Such subordination could significantly reduce the amount of available proceeds receivable by the Noteholders following the liquidation of the Collateral or on an enforcement of the Security.

**(g) No gross-up**

In the event that any withholding tax or deduction for tax is imposed on payments on or in respect of the Notes (as a result of any Information Reporting Regime or otherwise), the Noteholders will not be entitled to receive grossed-up amounts to compensate for such withholding tax nor be reimbursed for the amount of any shortfall. In certain circumstances, the imposition of such taxes or deductions for tax will result in the Notes being redeemed early at their Early Redemption Amount (as further described in the risk factor entitled "*Early Redemption for Events of Default, tax or other reasons*" below).

**(h) Early redemption for Events of Default, tax or other reasons**

The Notes may be redeemed on a date other than on a final redemption on the Maturity Date pursuant to Master Condition 8 (*Redemption and Purchase*) upon the occurrence of (i) certain tax events with respect to the Notes or the Original Collateral; (ii) upon the occurrence of certain events with respect to the Original Collateral (which, depending on what is specified in the applicable Issue Terms, may include the Original Collateral being called for redemption or repayment prior to its scheduled maturity date, a failure by the Original Collateral Obligor to call the Original Collateral for redemption or repayment, the Original Collateral becoming payable prior to its scheduled maturity, certain failures to make payments in respect of the Original Collateral, the conversion of the Original Collateral into another instrument or a redenomination of the currency in which the principal or interest of the Original Collateral is due to be paid); (iii) upon the termination of the Swap Agreement; (iv) a Trigger Event where the value of the Original Collateral and the Swap Agreement falls to or beneath a certain level; (v) upon the occurrence of certain regulatory events including (but not limited to) changes in any applicable law, regulation, regulatory guidance or interpretation after the Issue Date of the Notes as a result of which (including without limitation) (A) it is or will be unlawful or there is a reasonable likelihood that it would become unlawful for the Issuer to maintain or perform any of its obligations under the Notes or (B) the costs of the Issuer in complying with its obligations under the Notes or the Trust Deed or its operating or administrative expenses are materially increased and the Issuer is unable to obtain the costs of such increase from another party; (vi) an illegality event; (vii) Counterparty Bankruptcy Credit Event; (viii) certain disruption events with respect to a relevant Reference Rate; or (ix) an Additional Redemption Event, if applicable, the specifics of which will be set out in the Issue Terms of the Notes.

An event may constitute a Collateral Event for these purposes even if it occurs prior to the Issue Date, provided that it occurs on or after the Initial Trade Date.

Where the Notes are Collateral Basket Notes, a Collateral Event may occur in respect of one or more Collateral Components and, depending on the elections made in the relevant Issue Terms, this may result in (a) partial redemption of each Note to reflect the weighting of the Affected Collateral Component and, if other Collateral Components are liquidated in respect of such partial redemption (to make up a Shortfall Amount), the portion of such other Collateral Components liquidated or (b) redemption in full, notwithstanding that a Collateral Event may have only occurred in respect of a single Collateral Component. If, where "Partial Unwind with Shortfall" is specified in the relevant Issue Terms, other Collateral Components are required to be liquidated to make up a Shortfall Amount but the liquidation of such other Collateral Components would result in there being no Original Collateral standing to the credit of the Custody Account, the Notes will early redeem in full.

In addition, either the Noteholders and/or the Trustee (dependent on the relevant event and as specified in the Conditions) may have the right to direct a redemption of the Notes upon the occurrence of an Event of Default with respect to the Notes, the occurrence of certain default events relating to the Original Collateral or upon the bankruptcy or certain other defaults of the Swap Counterparty. In such circumstances, the Disposal Agent may be required to liquidate some or all of the Collateral and/or the Trustee may enforce the Security following the occurrence of an Enforcement Event (as the case may be) and any Swap Agreement may terminate in accordance with its terms (for the impact of an early redemption on amounts payable to Noteholders, see the risk factor entitled "*Risks relating to the Notes – Amounts payable to Noteholders on early redemption*" above).

**(i) Determinations of Swap termination payments**

Upon early termination of the Swap Agreement (if any), an early termination payment based on the losses or costs or, as the case may be, gains of the determining party in entering into a replacement transaction or its economic equivalent (or otherwise determined in accordance with the terms of such Swap Agreement) will be payable by the Issuer to the Swap Counterparty, or (as the case may be) by the Swap Counterparty to the Issuer under the Swap Agreement. Such payment will generally be determined by the Swap Counterparty save where it is in default. The determination of any such losses or costs or, as the case may be, gains will be dependent on a number of factors including, without limitation, (i) the creditworthiness and liquidity of the assets underlying the swap payments, (ii) market perception, interest rates, yields and foreign exchange rates, (iii) the time remaining to the scheduled termination date of the Swap Transactions under the Swap Agreement and (iv) where a Credit Support Annex has been entered into as part of the Swap Agreement, the value of any collateral received by the Issuer, or collateral posted by the Issuer, thereunder. The determination of a termination payment and the factors which are taken into account in making that determination, may significantly impact amounts payable to Noteholders (see below). However, in determining a termination payment, the relevant party is required to act in good faith and to use commercially reasonable procedures to produce a commercially reasonable result.

**(j) Early redemption of the Notes following a termination of the Swap**

The Notes may be redeemed early pursuant to a termination of the Swap Agreement. The Issuer and the Swap Counterparty can both terminate the Swap Agreement following the occurrence of certain events under the Swap Agreement which include the following: (i) failure

of either party to make payments when due under the Swap Agreement; (ii) the bankruptcy of either party; (iii) misrepresentation (of the Swap Counterparty only); (iv) illegality; (v) the occurrence of a force majeure event; (vi) the occurrence of certain tax events, including a Tax Event Upon Merger (as defined in the Swap Agreement) and (vii) the occurrence of certain Additional Termination Events including (but not limited to) default of the Original Collateral, breach of specified covenants by the Issuer, service of an Early Redemption Notice in respect of the Notes the requirement of a party to make a deduction or withholding imposed pursuant to an Information Reporting Regime or Sections 871 or 881 of the Code and amendments to the Transaction Documents without the consent of the Swap Counterparty.

**(k) Suspension of payments upon a Sanctions Event**

In accordance with the provisions of Master Condition 10(h) (*Suspension of obligations following a Sanctions Event*) Noteholders may be exposed to the risk that if any of the Noteholders, the Issuer, the Collateral, the Collateral Obligor, the Trustee, the Issuing and Paying Agent, the Dealer, the Custodian and/or the Swap Counterparty is subject to any Sanctions that result in a Sanctions Event, payments under the Notes to that Noteholder may be suspended and may be paid into a suspense account. If any such payments due to the Noteholders are paid into a suspense account, no interest shall accrue and in certain circumstances, the Custodian may apply negative interest rates to any cash funds. As such, the amount due to Noteholders following a Sanctions Event End Date may be reduced by any negative interest. Prospective investors should note that (i) during the existence of a Sanctions Event Noteholders will have no right to take any action to compel the Trustee or the Issuer to take any action or enforce the Collateral and (ii) the Calculation Agent shall determine the amounts (if any) due to Noteholders following the occurrence of a Sanctions Event and shall take into account events which have occurred during the suspension period corresponding to any Sanctions Event.

None of the Issuer, the Trustee nor the Calculation Agent shall be required to monitor, enquire or satisfy itself as to whether any Sanctions Event has occurred. Neither the Trustee nor the Calculation Agent shall not have any obligation, responsibility or liability for giving or not giving any notice thereof to the Issuer or any Secured Creditor or be liable for any loss occasioned by the occurrence of a Sanctions Event.

**(l) All Classes of Notes may be redeemed as a result of an Early Redemption Commencement Date that occurs in respect of certain Class(es) of Notes only**

If the applicable Issue Terms specify that Classes are applicable in respect of a Series of Notes, unless such Issue Terms also specify that "Independent Class Early Redemption" is applicable, any Early Redemption Commencement Date which applies in respect of one Class of Notes shall be deemed to apply to all Classes of Notes, and all of the Notes will be redeemed at their respective Early Cash Redemption Amount. Consequently, Noteholders should be aware that all Notes may be redeemed notwithstanding that an Early Redemption Commencement Date has only occurred in respect of the other Class(es) of Notes.

**(m) All Classes of Notes may be redeemed as a result of an Enforcement Notice in respect of certain Classes of Notes only**

Even where the applicable Issue Terms specify that Classes and "Independent Class Early Redemption" apply in respect of a Series, if an Enforcement Notice is delivered in respect of a Class of Notes, all other Class(es) of Notes shall redeem early and the Enforcement Notice

shall be deemed to apply to all Class(es) of Notes. As such, Noteholders should be aware that where the Trustee enforces Security following the occurrence of an Enforcement Event, all of the Security shall be enforced and all Class(es) of Notes shall redeem early, even where the Enforcement Event only relates to certain Class(es) of Notes.

**(n) Classes may be uncollateralised depending on whether the value of the Swap Transactions across the Series are positive or negative to the Issuer**

Where Classes apply in respect of a Series, a proportion of any Credit Support Balance of the Issuer that the Swap Transaction (where it is of a positive value) relating to any Class redeeming early to the Issuer bears to the total amount of Swap Transactions across the Series that are of a positive value to the Issuer shall be taken into account when determining an Unpaid Amount. Noteholders should be aware that as the Credit Support Balance of the Issuer will be shared out amongst the Swap Transactions (if any) under which the Issuer is exposed to the Swap Counterparty, where there are Swap Transactions that are of positive value to the Swap Counterparty, the Issuer will be less collateralised than would otherwise be the case, and will be exposed to the Swap Counterparty for the remaining amount. As such, if the Swap Counterparty is in bankruptcy, any such Classes being redeemed early that are of positive value to the Issuer would be unsecured against the Swap Counterparty in respect of amounts owing in relation to the Early Redemption Amount.

**(o) Market value of Notes**

For the purposes of this section, references to “Collateral” shall also include Original Collateral to the extent that such Original Collateral has been transferred to the Swap Counterparty under the Credit Support Annex.

The market value of the Notes will be affected by a number of factors, including, but not limited to (i) the value and volatility of the Collateral and the creditworthiness of the issuers and obligors of any Collateral, (ii) the value and volatility of any index, securities, commodities or other obligations to which payments on the Notes may be linked, directly or indirectly, and the creditworthiness of the issuers or obligors in respect of any securities or other obligations to which payments on the Notes may be linked, directly or indirectly, (iii) market perception, interest rates, yields and foreign exchange rates, (iv) the time remaining to the Maturity Date and (v) the nature and liquidity of the Swap Agreement or any other derivative transaction entered into by the Issuer or embedded in the Notes or the Collateral. Any price at which Notes may be sold prior to the Maturity Date may be at a discount, which could be substantial, to the value at which the Notes were acquired on the Issue Date.

Prospective purchasers should be aware that not all market participants would determine prices in respect of the Notes in the same manner, and the variation between such prices may be substantial. Accordingly, any prices provided by a Dealer may not be representative of prices that may be provided by other market participants. For this reason, any price provided or quoted by a Dealer should not be viewed or relied upon by prospective purchasers as establishing, or constituting advice by that Dealer concerning, a mark-to-market value of the Notes. The price (if any) provided by a Dealer is at the absolute discretion of that Dealer and may be determined by reference to such factors as it sees fit. Any such price may take into account fees, commissions or arrangements entered into by that Dealer with a third party in respect of the Notes and that Dealer shall have no obligation to any Noteholder to disclose such arrangements. Any price given would be prepared as of a particular date and time and

would not therefore reflect subsequent changes in market values or any other factors relevant to the determination of the price.

**(p) Valuations and calculations derived from models**

Valuations or calculations in respect of Notes and certain asset classes of instruments comprising Collateral relation to Notes have typically been based on quoted market prices or market inputs. However, since 2007, actively traded markets for a number of such asset classes and obligors have either ceased to exist or have reduced significantly. The lack or limited availability of such market prices or inputs has significantly impaired the ability to make accurate valuations or calculations in respect of the Notes and such underlying instruments. No assurance can be given that similar impairment may not occur in the future.

In a number of asset classes, a significant reliance has historically been placed on valuations derived from models that use inputs that are not observable in the markets and/or that are based on historical data and trends. Such models often rely on certain assumptions about the values or behaviour of such unobservable inputs or about the behaviour of the markets generally or interpolate future outcomes from historical data. In a number of cases, the extent of the market volatility and disruption has resulted in the assumptions being incorrect to a significant degree or in extreme departures from historical trends. Where reliance is placed on historical data, in certain instances such data may only be available for relatively short time periods (for example, data with respect to prices in relatively new markets) and such data may not be as statistically representative as data for longer periods.

Prospective investors should be aware of the risks inherent in any valuation or calculation relating to the Notes (including any instrument comprising Collateral relating to the Notes) that is determined by reference to a model and that certain assumptions will be made in operating the model which may prove to be incorrect and give rise to significantly different outcomes to those predicted by the model.

**(q) Listing may be discontinued**

The Issuer may discontinue any listing of the Notes or the Notes may be listed on another stock exchange or exchanges (which may or may not be EEA Regulated Markets and may or may not be in Western Europe). This could have adverse consequences for, and impact on, amounts payable to Noteholders.

**(r) Specified Denominations may involve integral multiples**

Notes may have Specified Denominations of a certain amount plus one or more integral multiples of a smaller amount (the "**Integral Multiples**") in excess thereof, in which case (i) for so long as the relevant Clearing Systems so permit, the Notes will be tradable only in the minimum authorised denomination of the Specified Denomination and the Integral Multiples and (ii) it is possible that the Notes may be traded in amounts in excess of the Specified Denomination that are not Integral Multiples of the Specified Denomination. A Noteholder who, as a result of trading such amounts as contemplated in (ii) above, holds an amount which is less than the Specified Denomination in its account with the relevant Clearing System at the relevant time may need to purchase a principal amount of Notes such that its holding amounts to not less than the Specified Denomination in order to be able to transfer its Notes (subject in all cases to the rules and procedures of the relevant Clearing System).

**(s) Application of negative interest rates**

Negative interest rates may apply from time to time in certain circumstances to any cash funds held by the Custodian on behalf of the Issuer which have been transferred by the Swap Counterparty to cover its credit risk under any Credit Support Annex or derive therefrom. To the extent that such negative interest rates were to apply, the amount of cash collateral held by the Issuer in respect of its exposure to the Swap Counterparty would be reduced. Whilst the application of any negative interest rates will ultimately be borne by the Swap Counterparty unless the Swap Agreement is terminated as a result of an Event of Default thereunder by either the Issuer or the Swap Counterparty or as a result of a Counterparty Bankruptcy Credit Event, where such a termination does occur as a result of such an Event of Default or Counterparty Bankruptcy Credit Event the reduction in funds held by the Custodian could increase the amount to be claimed by the Issuer from (and therefore the credit risk to) the Swap Counterparty under the Swap Agreement.

**(t) Resolution of financial institutions**

The taking of any actions by the relevant resolution authorities under any resolution regime may adversely affect the Noteholders. Whilst the Issuer itself is unlikely to be within scope of any implementing legislation, if the obligor in respect of any Collateral (including the Original Collateral Obligor) or the Swap Counterparty is within the scope of any implementing legislation:

(i) any applicable bail-in power might be exercised in respect of the Collateral or the Swap Agreement (as the case may be) to convert any claim of the Issuer as against such person;

(ii) any applicable suspension power might prevent the Issuer from exercising any termination rights under the Swap Agreement; or

(iii) any applicable close out power might be exercised to enforce a termination of the Swap Agreement and to value the transactions in respect of such agreements (which value may be different to the value that would have been determined by the Issuer or the Swap Counterparty (as the case may be)).

The operation of resolution regimes and their application to cross-border financial institutions is complex and the resolution of any Collateral Obligor or the Swap Counterparty is likely to adversely affect the Notes in multiple and unpredictable ways. Following an exercise of any powers by a resolution authority, the Issuer may have insufficient assets or sums to meet its obligations under the Notes or any Transaction Document for that Series, the Notes may be the subject of an early redemption and any payment of redemption proceeds to Noteholders may be delayed. Each Noteholder should take such advice as it deems necessary to ensure that it understands the impact that a resolution regime may have on its investment in the Notes.

For further information see the section of this Base Prospectus entitled "*Considerations relating to the Resolution of Financial Institutions*".

**(u) Limited liquidity of the Notes**

Although application may be made to admit the Notes to the Official List and admit them to trading on the Regulated Market or on another stock exchange, there is currently no secondary market for the Notes. There can be no assurance that a secondary market for any of the Notes will develop, or, if a secondary market does develop, that it will provide the holders of the Notes

with liquidity or that it will continue for the life of the Notes. Consequently, any investor in the Notes must be prepared to hold such Notes for an indefinite period of time or until redemption of the Notes. If a Dealer begins making a market for the Notes, it is under no obligation to continue to do so and may stop making such a market at any time.

In addition, any secondary market price for the Notes may not reflect any embedded fees and/or other additional costs or inducements included in the price paid for the Notes by initial investors.

**(v) Exchange rate risks and exchange controls may result in investors receiving less interest or principal than expected**

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

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

**(w) Regulation and reform of Benchmarks**

The Interbank Offered Rates (including the London Interbank Offered Rate ("**LIBOR**"), the Euro Interbank Offered Rate ("**EURIBOR**")) and other interest rate, equity, commodity, foreign exchange rate and other types of rates and indices which are deemed to be "benchmarks" are the subject of ongoing national and international regulatory reform. Following any such reforms, benchmarks may perform differently than in the past or disappear entirely, or there could be other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Notes linked to such a benchmark.

Ongoing international and/or national reform initiatives and the increased regulatory scrutiny of benchmarks generally could increase the costs and risks of administering or otherwise participating in the setting of a benchmark and complying with any applicable regulations or requirements. Such factors may discourage market participants from continuing to administer or contribute to benchmarks, trigger changes in the rules or methodologies used in respect of benchmarks, and/or lead to the disappearance of benchmarks, including LIBOR. This could result in (i) adjustments to the terms and conditions and/or early redemption provisions and/or provisions relating to discretionary valuation by the Calculation Agent, (ii) delisting, and/or (iii) other consequences for Notes linked to any such benchmarks. Any such consequence could have a material adverse effect on the value of and return on any such Notes.

For more information see the section of this Base Prospectus entitled "*Considerations relating to the Regulation and Reform of Benchmarks*".

### (x) Benchmarks and the risk of a Reference Rate Event

Reference rates and indices, including interest rate benchmarks such as LIBOR, which are used to determine the amounts payable under financial instruments or the value of such financial instruments ("**Benchmarks**") have, in recent years, been the subject of political and regulatory scrutiny as to how they are created and operated. This has resulted in regulatory reform (including, in the European Union, through implementation of the "Benchmark Regulation" (Regulation (EU) 2016/1011), which came into force on 1 January 2018) and changes to existing Benchmarks, with further changes expected. For further information see the section of this Base Prospectus entitled "*Benchmarks and Interest Rate Reform*".

As the Notes may reference a Benchmark, there is a risk that a Reference Rate Event could occur in respect of such Benchmark. There is no certainty as to when a Reference Rate Event may occur. If a Reference Rate Event does occur in respect of such Benchmark (or any Benchmark referenced by a Replacement Reference Rate), the Calculation Agent will attempt to (i) identify an alternative Benchmark and (ii) calculate an Adjustment Spread that will be applied to the alternative Benchmark to take account of any transfer of economic value that would otherwise occur by replacing the relevant Benchmark.

Investors in the Notes that reference a Benchmark should be aware that (a) the application of any alternative Benchmark (notwithstanding the inclusion of any adjustment spread) could result in a lower amount being payable to Noteholders than would otherwise have been the case and (b) if no alternative Benchmark can be identified or Adjustment Spread calculated by the Calculation Agent, the Notes will be the subject of an early redemption. There is no guarantee that an alternative Benchmark will be identified or an Adjustment Spread calculated by the Calculation Agent and the less liquidity a Benchmark has, the greater the risk that a Reference Rate Event will cause either a transfer of economic value from the Noteholders to the Issuer or an early redemption of the Notes.

### (y) Determining the occurrence of a Reference Rate Event

If a Series references a benchmark, there is a risk that a Reference Rate Event occurs in respect of such benchmark. A Reference Rate Event is expected to occur if the benchmark ceases or if the administrator of the Reference Rate ceases to have the necessary authorisations. There is no certainty as to when a Reference Rate Event may occur. Whether a Reference Rate Event has occurred will be determined by the Calculation Agent.

Investors should be aware that a change (whether material or not) to the definition, methodology or formula for a Reference Rate, or other means of calculating such Reference Rate will not, unless otherwise specified in the applicable Issue Terms, constitute a Reference Rate Event. Each Noteholder will bear the risks arising from any such change and will not be entitled to any form of compensation as a result of any such change.

### (z) Consequences of the occurrence of a Reference Rate Event

If the Calculation Agent determines that a Reference Rate Event has occurred in respect of a relevant Benchmark, the Issuer will notify the Noteholders accordingly and the Calculation Agent will (if no replacement reference rate has been pre-nominated in the relevant Issue Terms) attempt to (A) identify an alternative Benchmark that it determines has been recognised or acknowledged as being the industry standard for transactions which reference the affected Reference Rate to replace the affected Reference Rate (or if there is no industry standard, then the Calculation Agent shall select such other index, benchmark or other price source it

determines to be an industry standard rate) and (B) calculate a spread that will be applied to the alternative benchmark.

Investors should be aware that (I) the application of any alternative benchmark (notwithstanding the inclusion of any adjustment spread) could result in a lower amount being payable to Noteholders than would otherwise have been the case, (II) the application of any alternative benchmark (as adjusted by an any adjustment spread) shall be effected without requiring the consent of the Noteholders and (III) if no alternative benchmark can be identified or adjustment spread calculated by the Calculation Agent, the Notes will be the subject of an early redemption. There is no guarantee that an alternative benchmark will be identified or that an adjustment spread will be calculated by the Calculation Agent.

**(aa) Determination of alternative Benchmark and any Adjustment Spread**

When identifying alternative benchmarks, the Calculation Agent may only have regard to (A) benchmarks that are recognised or acknowledged as being industry standard replacements or (B) any alternative specified in the applicable Final Terms or applicable Drawdown Document. If both an industry standard benchmark exists and an alternative benchmark is specified in the applicable Issue Terms, the industry standard benchmark will take precedence.

The spread shall (I) take account of any transfer of economic value that would otherwise occur by replacing the relevant benchmark and (II) reflect any losses, expenses and costs that will be incurred by the Swap Counterparty as a result of entering into and/or maintaining any transactions in place to hedge the Swap Counterparty's obligations under the Swap Transaction, including as a result of any difference between (x) the resulting cash flows under the Original Collateral and such hedge transactions or (y) the resulting cash flows under the Notes and such hedge transactions, in each case pursuant to the application of any fallback following the occurrence of a disruption event in respect of a Benchmark. The spread may be positive, negative or zero and may be determined pursuant to a formula or methodology.

**(bb) Suspension of calculations and payments under the Notes following the occurrence of a Reference Rate Event**

If the Calculation Agent has delivered a Reference Rate Event Notice and the Notes have not yet been redeemed, there will be a period for which no benchmark is available for the Notes. Consequently, any determination date under the Notes (and any related payment date) which relies on there being a Benchmark will be suspended until an alternative benchmark (as adjusted by any adjustment spread) has been identified.

If an alternative benchmark and adjustment spread are identified, any suspended payments shall be due on the second Reference Business Day following the Cut-off Date. Noteholders will not be entitled to receive any further payments as a result of such suspension and the corresponding delay in payment of any principal and/or interest amount (including, without limitation, any default interest). The applicable benchmark for determining any such suspended amounts will be the alternative benchmark identified by the Calculation Agent (as adjusted by any adjustment spread) and not the Benchmark in respect of which the Reference Rate Event has occurred.

If an alternative benchmark and adjustment spread are not identified, the Notes shall redeem at their Early Redemption Amount and no other amount (including any suspended amounts or any interest thereon) shall be payable in respect of the Notes.

**(cc) The discontinuance of LIBOR**

On 27 July 2017, the Chief Executive of the FCA, which regulates LIBOR, announced that the FCA will no longer persuade or compel banks to submit rates for the calculation of LIBOR after 2021. On 12 July 2018, the Chief Executive of the FCA reiterated the need for firms to transition away from LIBOR before the end of 2021. Consequently, it is possible that the panels which contribute to the determination of LIBOR will shrink such that the FCA no longer considers the relevant rate capable of being representative.

There is a significant risk that, following such a reduction in contributors after 2021, LIBOR will cease to be an appropriate Benchmark to reference in financial products such as the Notes. For example, LIBOR may provide a lower rate when compared to similar market conditions in effect prior to 2021, LIBOR may become more volatile and there may also be a risk that the Notes would be frustrated due to the inability to determine the amount payable in respect of the Notes.

Recent correspondence from regulatory and advisory bodies suggest that, in respect of LIBOR, the FCA may make an announcement that it considers that LIBOR is no longer capable of being representative and, if such an announcement is made, fallbacks should apply in financial products which reference LIBOR. Consequently, such a regulatory announcement may constitute a Reference Rate Event (see the risk factor entitled "*Benchmarks and the risk of a Reference Rate Event*" above for a description of the risks relating to the occurrence of a Reference Rate Event).

**(dd) Impact of increased regulation**

The global financial crisis led to materially increased involvement of governmental and regulatory authorities in the financial sector and in the operation of financial institutions. In particular, governmental and regulatory authorities in a number of jurisdictions (including the United States of America, the United Kingdom and the European Union) have imposed stricter laws and regulations around certain financial activities and/or have indicated that they intend to impose such controls in the future. Such regulatory changes have had, and future regulatory reforms may have, a significant impact on the operation of the financial markets, including impacts on the operations of the Issuer, the Arranger, the Swap Counterparty and the other Transaction Parties as well as the value of the Notes. Consequences may include the early redemption of the Notes following the occurrence of certain regulatory events (as described in the risk factor entitled "*Early redemption for Events of Default, tax or other reasons*" above).

**(ee) CREST Depository Interests ("CDIs")**

If the Issuer intends to permit interests in a Series of Notes to be held through CREST Depository Interests to be issued by the CREST Depository (as specified in the relevant Issue Terms) investors in CDIs will not be the legal owners of the Notes to which such CDIs relate (such Notes being "**Underlying Notes**"). CDIs are separate legal instruments from the Underlying Notes and represent indirect interests in the interests of the CREST International Nominee Limited (the "**CREST Nominee**") in such Underlying Notes. CDIs will be issued by the CREST Depository to investors and will be governed by English law.

The Underlying Notes (as distinct from the CDIs representing indirect interests in such Underlying Notes) will be held in an account with a custodian. The custodian will hold the Underlying Notes through the relevant clearing system. Rights in the Underlying Notes will be held through custodial and depositary links through the relevant clearing system. The legal title to the Underlying Notes or to interests in the Underlying Notes will depend on the rules of the relevant clearing system in or through which the Underlying Notes are held.

Rights in respect of the Underlying Notes and, by extension, the Collateral relating to such Underlying Notes cannot be enforced by holders of CDIs except indirectly through the CREST Depository and CREST Nominee who in turn can enforce rights indirectly through the intermediary depositaries and custodians described above. The enforcement of rights in respect of the Underlying Notes will therefore be subject to the local law of the relevant intermediary. These arrangements could result in an elimination or reduction in the payments that otherwise would have been made in respect of the Underlying Notes in the event of any insolvency or liquidation of the relevant intermediary, in particular where the Underlying Notes held in clearing systems are not held in special purpose accounts and are fungible with other securities held in the same accounts on behalf of other customers of the relevant intermediaries.

If a matter arises that requires a vote of Noteholders, the Issuer may, with the prior written consent of the Trustee or with the sanction of an Extraordinary Resolution, make arrangements to permit the holders of CDIs to instruct the CREST Depository to exercise the voting rights of the CREST Nominee in respect of the Underlying Notes. However, there is no guarantee that it will be possible to put such voting arrangements in place for holders of CDIs.

Holders of CDIs will be bound by all provisions of the CREST Deed Poll and by all provisions of or prescribed pursuant to the CREST International Manual (November 2014) issued by Euroclear UK & Ireland Limited and as amended, modified, varied or supplemented from time to time (the "**CREST Manual**") and the CREST Rules (contained in the CREST Manual) applicable to the CREST International Settlement Links Service. Holders of CDIs must comply in full with all obligations imposed on them by such provisions.

Investors in CDIs should note that the provisions of the CREST Deed Poll, the CREST Manual and the CREST Rules contain indemnities, warranties, representations and undertakings to be given by holders of CDIs and limitations on the liability of the CREST Depository as issuer of the CDIs. Holders of CDIs may incur liabilities resulting from a breach of any such indemnities, warranties, representations and undertakings in excess of the money invested by them.

Investors in CDIs should note that holders of CDIs may be required to pay fees, charges, costs and expenses to the CREST Depository in connection with the use of the CREST International Settlement Links Service. These will include the fees and expenses charged by the CREST Depository in respect of the provision of services by it under the CREST Deed Poll and any taxes, duties, charges, costs or expenses which may be or become payable in connection with the holding of the Underlying Notes through the CREST International Settlement Links Service.

Investors in CDIs should note that none of the Issuer, the Arranger, the Dealer or any Agent will have any responsibility for the performance by any intermediaries or their respective direct or indirect participants or accountholders acting in connection with CDIs or for the respective obligations of such intermediaries, participants or accountholders under the rules and procedures governing their operations.

## 4 Risks relating to the Collateral

### (a) Collateral

The Collateral relating to any Notes will be subject to credit, liquidity and interest rate risks. In the event of an insolvency of the issuer or obligor in respect of any Collateral, various insolvency and related laws applicable to such issuer or obligor may (directly or indirectly) limit the amount the Issuer or the Trustee may recover in respect of such Collateral.

If the Issuer has entered into a Credit Support Annex as part of its Swap Agreement, by virtue of the collateral requirements applicable to any such arrangements the Collateral held by it from time to time may comprise assets other than, or in addition to the Original Collateral, or may comprise less Collateral than the amount held by it on the Issue Date, as assets will be required to be delivered by the Issuer to the Swap Counterparty which have an aggregate value (after the application of the relevant valuation percentage haircut specified in the Credit Support Annex) at least equal to the exposure that the Issuer has to the Swap Counterparty under the Swap Agreement. Where the Issuer holds other or additional assets, the types of assets that may comprise Collateral may be diverse and may be less liquid and more volatile than the Original Collateral. If pursuant to the terms of the Credit Support Annex, cash is posted to the Issuer (which will be credited to the Issuer's Cash Account with the Custodian), interest (if any) will accrue in accordance with the Custodian's deposit terms and conditions. Such interest rate may be positive (in which case interest will be credited to the Cash Account) or negative (in which case interest will be debited from the Cash Account).

The outstanding principal amount of the Original Collateral held on behalf of the Issuer may also be reduced from time to time (to an amount not less than zero) to the extent that Original Collateral is required to be transferred to the Swap Counterparty pursuant to the Credit Support Annex. This will occur if the Swap Agreement increases in value from the Swap Counterparty's perspective. The principal amount of the Original Collateral shall also be reduced by an amount equal to the Collateral Component which has matured.

If Notes redeem other than on a final redemption on the Maturity Date, the Collateral relating thereto will be sold or otherwise liquidated (except where otherwise transferred in accordance with the Conditions). No assurance can be given as to the amount of proceeds of any sale or liquidation of such Collateral at that time since the market value of such Collateral will be affected by a number of factors including but not limited to (i) the creditworthiness of the issuers and obligors of the Collateral, (ii) market perception, interest rates, yields and foreign exchange rates, (iii) the time remaining to the scheduled maturity of the Collateral and (iv) the liquidity of the Collateral. Accordingly, the price at which such Collateral is sold or liquidated may be at a discount (which could be substantial) to the market value of the Collateral on the Issue Date and the proceeds of any such sale or liquidation when taken together with the proceeds of termination of any related Swap Agreement and any other assets available to the Issuer that relate to the relevant Series of Notes may not be sufficient to repay the full amount of principal of and interest on the relevant Notes that the holders of such Notes would expect to receive in the event that the Notes were redeemed in accordance with their terms on their Maturity Date.

The Arranger and the Dealer may have acquired, or during the terms of the Notes may acquire, confidential information or enter into transactions with respect to any Collateral and they shall not be under any duty to disclose such confidential information to any Noteholder, the Issuer, the Trustee or any of the other Transaction Parties.

Original Collateral can be collateral issued by Credit Suisse International and/or one of its Affiliates. In such circumstances Noteholders will be subject to the credit risk of Credit Suisse International and/or its Affiliates.

**(b) Substitution of Original Collateral**

A Noteholder holding more than 50 per cent. in principal amount of outstanding Notes may, if specified in the applicable Issue Terms, request a substitution of any Original Collateral with a nominal amount of new collateral obligations which fulfil the criteria specified in the relevant applicable Issue Terms. Upon effective delivery of a valid Substitution Notice to the Disposal Agent, the Disposal Agent shall Liquidate the Substituted Original Collateral and the Issuer shall use such net proceeds of Liquidation to purchase the Replacement Collateral Obligations. The net proceeds of Liquidation of the Substituted Original Collateral may not be sufficient to purchase the nominal amount of Replacement Collateral Obligations specified in the relevant Substitution Notice, and in such a case the aggregate nominal amount of Original Collateral after such substitution may be more or less than the aggregate nominal amount of Original Collateral prior to such substitution.

**(c) Original Collateral subordination**

The Original Collateral relating to any Notes may comprise direct, unconditional, unsecured and subordinated obligations of the Original Collateral Obligor. In the event of any dissolution, liquidation or winding up of the Original Collateral Obligor, in bankruptcy or otherwise, the payment of principal and interest on any such subordinated Original Collateral will be subordinated to the prior payment in full of all the Original Collateral Obligor's present and future unsubordinated creditors. As a result of the subordinated nature of such Original Collateral, the value attributed thereto by dealers in the market is likely to be substantially less than the value attributed to unsubordinated debt obligations of the Original Collateral Obligor. In particular, the value of such Original Collateral will be affected in the event that the Original Collateral Obligor is or is likely to be dissolved, liquidated or wound up (which may occur in conjunction with an Original Collateral Default) and could be zero. The value of the Original Collateral is an integral component of the Early Cash Redemption Amount that will be payable on the Notes were they to be redeemed early and will directly impact the return of the Noteholders upon early redemption.

**(d) Original Collateral correlation risk**

The Collateral Obligor of any Original Collateral relating to a Series of Notes may be an Affiliate of Credit Suisse International, which undertakes a number of roles in respect of the Notes including the Calculation Agent, the Disposal Agent and the Swap Counterparty. If a Collateral Event were to occur with respect to the Original Collateral in respect of which an Affiliate of Credit Suisse International is the Collateral Obligor, each of the Calculation Agent, the Disposal Agent and the Swap Counterparty may be required to take certain actions in order to facilitate the Issuer to meet its obligations on the Notes. In certain of such circumstances (most likely where the Collateral Event occurs as a result of an Original Collateral Default), Credit Suisse International may not be able to take one or more of such actions and replacement agents may need to be appointed. Any delay or failure to appoint such a replacement may have adverse consequences for the Noteholders.

**(e) Suspension of payments under the Notes and the Swap Agreement during the Suspension Period**

The payment obligations of the Issuer under the Notes will be suspended pursuant to the provisions of Master Condition 8(p) (*Suspension of payments*) if the Calculation Agent determines that facts exist which may amount to a Collateral Event following the expiration of any applicable grace period. During the Suspension Period (i) the Issuer shall make no payments on account of principal and/or interest under the Notes; and (ii) neither the Issuer nor the Swap Counterparty shall make any payments under the Swap Agreement (provided that if the Notes are Collateral Basket Notes such suspension shall relate to a proportion of each Note corresponding to such Note's *pro rata* share of the notional amount of the Affected Collateral Component to which such suspension relates).

If a Collateral Event (i) occurs during the Suspension Period (which will be a period of ten Business Days or such other length of time specified in the relevant Issue Terms, as applicable) then no further payments will be made under the Notes in respect of principal and/or interest and the Notes will be redeemed at the Early Cash Redemption Amount (provided that if the Notes are Collateral Basket Notes such redemption and cessation of interest shall relate to a proportion of each Note corresponding to such Note's *pro rata* share of the notional amount of the Affected Collateral Component) or (ii) has not occurred on the last day of the Suspension Period, any principal and/or interest amount which would otherwise have been payable will be payable on the second Business Day following the earlier of (i) last day of such Suspension Period or (ii) the date on which the Calculation Agent determines that the events which may have resulted in the Collateral Event have been remedied or no longer exist.

Noteholders will not be entitled to receive any further payments as a result of such suspension and the corresponding delay in payment of any principal and/or interest amount.

**(f) Likelihood of Original Collateral Default**

The likelihood of a Collateral Event occurring in respect of any Original Collateral will generally fluctuate with, among other things, the financial condition and other characteristics of the Original Collateral Obligor, general economic conditions, the condition of certain financial markets, political events, developments or trends in any particular industry and changes in prevailing interest rates. An investor's investment is at risk and if a Collateral Event occurs in respect of (i) any Original Collateral, at least a proportion of an investor's investment corresponding to such Original Collateral will be at risk (which, unless the Notes are Collateral Basket Notes, will be the entire amount) and (ii) in the case of Collateral Basket Notes each Collateral Component comprising the Original Collateral, the whole of an investor's investment is at risk. Prospective investors should review the Original Collateral Obligor and conduct their own investigation and analysis with respect to the creditworthiness of the Original Collateral Obligor and the likelihood of the occurrence of a Collateral Event with respect to the Original Collateral Obligor.

**(g) No claim against any Original Collateral Obligor**

The Notes will not represent a claim against the Original Collateral Obligor and, in the event of any loss, a Noteholder will not have recourse under the Notes to the Original Collateral Obligor.

In particular, Noteholders will not have:

(i) the right to vote or give or withhold from giving any consent in relation to any obligation of any Original Collateral Obligor(s);

(ii) the right to receive any coupons, fees or other distributions which may be paid by any Original Collateral Obligor(s) to holders of any debt obligations thereof; or

(iii) the right to receive any information from the Original Collateral Obligor(s).

Accordingly, an investment in the Notes is not equivalent to an investment in the Original Collateral.

**(h) Emerging Market risk**

An investment in a Series of Notes may, as a result of the nature of the Collateral, the jurisdiction of a Collateral Obligor or the jurisdiction of the Reference Entity, represent an investment in, among other things, emerging markets ("**Emerging Markets**"). Emerging Markets are located in countries that possess one or more of the following characteristics: a certain degree of political instability, relatively unpredictable financial markets and economic growth patterns, a financial market that is still at the development stage or a weak economy. Emerging Markets investments usually result in higher risk such as political risks, economical risks, credit risks, exchange rate risks, market liquidity risks, legal risks, settlement risks, market risks, shareholder risks and creditor risks which could adversely impact the Notes and the Noteholders could suffer losses as a result.

**(i) Bail-in eligible debt**

Original Collateral may comprise bail-in eligible debt. Such Original Collateral may be subject to the resolution regime under the local regulations of the relevant Original Collateral Obligor and, consequently, to the broad statutory powers in the case of restructuring proceedings of the relevant local regulators ("**Local Regulators**"), which could adversely affect holders of the Notes. Relevant banking laws provide the Local Regulators with broad powers and discretion in the case of resolution procedures with respect to banks. In such resolution procedures, Local Regulators may require the conversion of the Original Collateral into equity and/or a partial or full write-off of such Original Collateral. In such case, the Issuer as a holder of such Original Collateral would lose all or some of its investment in that Original Collateral. Where Local Regulators order the conversion of any Original Collateral into equity, the securities received may be worth significantly less than such Original Collateral and may have a significantly different risk profile.

**(j) Collateral Basket Notes**

Where the Collateral Basket Product Supplement is specified to be applicable in the relevant Issue Terms the Notes will be Collateral Basket Notes and the Original Collateral will comprise separate Collateral Components and as such a Collateral Event may occur in respect of one or more Collateral Components, resulting in one of the following:

(i) the partial redemption of each Collateral Basket Note to reflect the weighting of the Affected Collateral Component and, where elected in the relevant Issue Terms, if other Collateral Components are liquidated in respect of such partial redemption to make up a shortfall amount, a portion of the weighting of the Collateral Components to reflect the additional amount so liquidated; or

(ii) the redemption in full of each Collateral Basket Note, notwithstanding that a Collateral Event may not have occurred in respect of the other Collateral Component(s),

in each case, as specified in the relevant Issue Terms.

**(k) Determination of Partial Swap Value and/or Shortfall Partial Swap Value**

The Partial Swap Value (used, for Collateral Basket Notes where "Partial Unwind" or "Partial Unwind with Shortfall" are specified in the relevant Issue Terms, to determine the Partial Swap Gain or Partial Swap Loss following the occurrence of a Collateral Event) and the Shortfall Partial Swap Value (where the Notes are Collateral Basket Notes and "Partial Unwind with Shortfall" is specified in the relevant Issue Terms and provided that a Collateral Exhaustion Event would not occur, to determine the Shortfall Partial Swap Gain or Shortfall Partial Swap Loss following the occurrence of a Collateral Event) are amounts determined by the Calculation Agent to be equal to the Early Termination Amount (as defined in the Swap Agreement) of the Swap Agreement (that would be payable either by the Issuer to the Swap Counterparty (which will be a "**Partial Swap Loss**" and a "**Shortfall Partial Swap Loss**", as applicable) or by the Swap Counterparty to the Issuer (which will be a "**Partial Swap Gain**" and a "**Shortfall Partial Swap Gain**", as applicable)) under the Swap Agreement upon a termination of the Swap Agreement on the Early Valuation Date.

The determination by the Calculation Agent of an Early Termination Amount may, without limitation, involve the Calculation Agent (i) valuing components of the Swap Transaction that are traded in the market and/or (ii) using financial models to determine the value of the Swap Transaction. Financial models are typically simplified projections of what is expected to occur in practice and are likely to contain certain assumptions which may or may not be accurate. Different financial institutions may use different financial models to value the same asset, which may result in diverging valuations for such asset. For the purpose of determining the Partial Swap Value and/or, if applicable, the Shortfall Partial Swap Value, the Calculation Agent shall take into account the fact that the Swap Counterparty's claim against the Issuer under any replacement transaction would be limited in recourse to the prevailing market value of the relevant amount of the Mortgaged Property at that time. Such limited recourse nature could result in a lower Partial Swap Value or Shortfall Partial Swap Value, as applicable, than would otherwise be the case absent limited recourse.

If, where the Notes are Collateral Basket Notes and "Partial Unwind with Shortfall" is specified in the relevant Issue Terms, a Partial Swap Loss is payable by the Issuer on the early termination of the Swap Agreement in connection with the redemption of the Notes following a Collateral Event and the net proceeds of Liquidation of the Affected Collateral Component are less than such Partial Swap Loss, an amount of Additional Collateral will be liquidated such that the net proceeds of Liquidation and the value of the Swap Agreement relating to such amount of Additional Collateral are at least equal to the Shortfall Amount. In such circumstances, the partial redemption of each Note will reflect a portion of the weighting of each of the Additional Collateral so liquidated (not just the Affected Collateral Component). For the avoidance of doubt, in such circumstances the amount of the Additional Collateral so liquidated will no longer form part of the Original Collateral in respect of the Notes and the Weighting of any Collateral Component from which Additional Collateral has been Liquidated shall be reduced by the relevant Additional Collateral Weighting.

## 5 Risks relating to Credit Linked Notes

*The following risks apply only to those Notes in respect of which the CLN Conditions Product Supplement is specified as applying in the applicable Alternative Drawdown Document.*

### (a) Exposure to Reference Entities, Reference Entity Obligations, Underlying Obligations, Underlying Obligors, Reference Obligations and Deliverable Obligations

Unless otherwise provided in the relevant Issue Terms, investors in Credit Linked Notes are exposed to the credit risks and other risks associated with each relevant Reference Entity and their Reference Entity Obligations, Underlying Obligations, Underlying Obligors, Reference Obligations, Deliverable Obligations and any relevant jurisdictional risks.

Basket CLNs and Index Linked CLNs are linked to the credit risk of more than one Reference Entity and the likelihood of a Credit Event occurring and the risk of loss of principal or loss of interest on a Basket CLN or an Index Linked CLN may therefore be greater than for a Single Name CLN which is linked to the credit risk of only one Reference Entity. With respect to First-to-Default Basket CLNs and First Default Linear Basket CLNs, a Credit Event in respect of just one Reference Entity in the basket will (subject, in the case of First-to-Default Basket CLNs, to the occurrence of an M(M)R Restructuring Credit Event following which the Swap Counterparty elects to only partially redeem the relevant transaction, if applicable) lead to the redemption in full of the Credit Linked Notes. The likelihood of a Credit Event occurring in respect of any of the Reference Entities referenced by a Basket CLN or an Index Linked CLN will differ for each Reference Entity and prospective investors should conduct their own analysis of the credit risk of each of the multiple Reference Entities for the relevant Basket CLN or Index Linked CLN.

Further, in respect of Basket CLNs and Index Linked CLNs, the credit risk to Noteholders may be increased, amongst other things, as a result of the concentration of Reference Entities in a particular industry sector or geographic area, or the exposure of the Reference Entities to similar financial or other risks as other Reference Entities.

The risk that the Noteholders bear in relation to the Credit Linked Notes is a function of both the risk of a Credit Event occurring in respect of the Reference Entity or Entities and the risk relating to the amount that may be recovered following such Credit Event. Where a Credit Event results in a high recovery rate, the Noteholders will incur a relatively small loss. Conversely, where a Credit Event results in a low recovery rate, Noteholders will incur a larger loss.

### (b) Synthetic exposure

The Credit Linked Notes do not represent a claim against any Reference Entity and, in the event of any loss, investors in Credit Linked Notes will not have recourse under the Credit Linked Notes to any Reference Entity nor shall a Noteholder have any legal, beneficial or other interest whatsoever in any of the Reference Entity Obligations, the Reference Obligations, the Valuation Obligations or the Deliverable Obligations relating to a Credit Linked Note. The Issuer is not obliged to own or hold any Reference Entity Obligation or Reference Obligation, and no inference may be drawn from the Programme, the Additional CLN Conditions or any relevant Issue Terms that the Issuer holds any such Reference Entity Obligation or Reference Obligation or has any credit exposure to any Reference Entity. Amounts payable under the Credit Linked Notes are not, in any direct or indirect way, limited by, associated with, or linked or calculated by reference to, any loss of bargain, cost of funding or any other actual loss or cost suffered by

the Issuer as a result of its holding or not holding any Reference Entity Obligation or Reference Obligation.

Neither the Issuer nor the Calculation Agent nor any of their respective affiliates has made any investigation of, or makes any representation or warranty, express or implied, as to the existence or financial or creditworthiness or other condition of any Reference Entity or the Reference Obligation or Deliverable Obligations or Valuation Obligations of such Reference Entity or any information provided in respect of such Reference Entity. The Issuer and/or the Calculation Agent may, at any time, be in possession of information in relation to any Reference Entity (which may or may not be publicly available). None of such persons shall be under any obligation to make any such information available to Noteholders or any other party.

The Issuer and/or the Calculation Agent and/or their respective affiliates may have access to information with respect to a Reference Entity that would (or would if available from a Public Source), amongst other things, constitute Publicly Available Information with respect to a Credit Event or otherwise suggest that a Credit Event has occurred or may occur with respect to a Reference Entity. There is no obligation on the Issuer or the Calculation Agent or their respective affiliates to disclose such information to any Noteholder or Couponholder, nor to respond to any Noteholder's or Couponholder's enquiries or requests for information with respect to any such, or similar, event.

**(c) Credit Events**

Prospective investors should note that not all Credit Events have easily ascertainable triggers and disputes can and have arisen as to whether a specific event did or did not constitute a Credit Event. However, under the Credit Linked Notes and subject to any determinations made by an ISDA DC which will be binding on the Issuer, the Swap Counterparty and the Calculation Agent, the ISDA DC and/or the Swap Counterparty's determination of a Credit Event will, in the absence of manifest error, be conclusive and binding on all persons (including, without limitation, the Noteholders), notwithstanding the disagreement of such persons or other financial institutions, rating agencies or commentators.

The occurrence or non-occurrence of a Credit Event will directly and materially affect the return and/or the value of the investor's investment in the Notes. The likelihood of a Credit Event occurring in respect of any Reference Entity will generally fluctuate with, among other things, the financial condition and other characteristics of such Reference Entity, general economic conditions, the condition of certain financial markets, political events, developments or trends in any particular industry and changes in prevailing interest rates. Public information which is available in relation to any Reference Entity may be incomplete, misleading or out-of-date.

Unless, in accordance with the Additional CLN Conditions, the ISDA DC makes a DC Credit Event Announcement or a DC No Credit Event Announcement and the Swap Counterparty is bound by such determination, the Swap Counterparty has the right to serve a Credit Event Notice and, if applicable a Notice of Publicly Available Information, in respect of a Reference Entity. The Swap Counterparty cannot make such determination without some information to support its determination that a Credit Event has occurred and where a Notice of Publicly Available Information is applicable it must cite Publicly Available Information confirming the occurrence of the Credit Event described in the Credit Event Notice.

The Credit Event Notice and Notice of Publicly Available Information (if applicable) are effective when delivered to the Issuer. The delivery of or failure to deliver copies of a Credit Event Notice

and Notice of Publicly Available Information (if applicable) to Noteholders will not affect the effectiveness of such notices.

**(d) Risk of loss of principal**

Investors bear the risk of loss of principal if a Credit Event and a relevant Event Determination Date occur. The Early Cash Redemption Amount payable under the Notes following the occurrence of a Credit Event and a relevant Event Determination Date in accordance with Additional CLN Conditions 6 (*Auction Redemption Terms*), 7 (*Cash Redemption Terms*) and 10 (*Fixed Recovery Redemption Terms*), in respect of a Series of Notes (or, in the case of (i) Linear Basket CLNs or Index Linked CLNs, a portion thereof equal to the Reference Entity Notional Amount in respect of the Affected Reference Entity and (ii) all Credit Linked Notes, if the applicable Credit Event is an M(M)R Restructuring Credit Event, an amount equal to the Applicable Proportion) is likely to be less than the outstanding principal amount of the Notes and may be zero.

See also the risk factor entitled "*Risks relating to the Credit Event redemption method*" below.

**(e) Risk of loss of Interest**

Save as otherwise provided in the relevant Issue Terms, if a Credit Event occurs, interest will cease to accrue on the Credit Linked Notes (or, in the case of (i) Linear Basket CLNs or Index Linked CLNs, a portion thereof equal to the Reference Entity Notional Amount of the Affected Reference Entity and (ii) if the applicable Credit Event is an M(M)R Restructuring Credit Event, an amount equal to the Applicable Proportion) as at the Interest Payment Date (or Interest Commencement Date where no Interest Payment Date has occurred) occurring on or immediately preceding the relevant Event Determination Date.

**(f) Suspension of Issuer's obligations to make interest payments under the Notes**

Pursuant to Additional CLN Condition 3 (*Interest on Credit Linked Notes*) if (i) an Applicable DC Credit Event Question has been made on or prior to an Interest Payment Date and no corresponding DC Resolution has been published or (ii) the Calculation Agent determines that factors exist which may amount to a Credit Event, then the payment of interest (if any) under the Credit Linked Notes will be suspended (or, in the case of Linear Basket CLNs or Index Linked CLNs, a portion thereof equal to the Reference Entity Notional Amount of the Reference Entity in respect of which a potential Credit Event may occur). Noteholders will not receive payment of such suspended interest amount until (i) an Applicable DC No Credit Event Announcement or an Applicable DC Credit Event Question Dismissal is made; (ii) the Calculation Agent determines that a potential Credit Event has not occurred or (iii) that an Event Determination Date has occurred but such Event Determination Date occurred after the Interest Payment Date in relation to which the interest payment was suspended. The Noteholders will be paid the suspended interest amount five Reference Business Days following the date on which the relevant determination under (i), (ii) or (iii), as applicable, was made. No additional amount of interest will be payable to the Noteholders by the Issuer in connection with the delay or postponement in payment of an interest amount.

If an Applicable DC Credit Event Announcement is made and the corresponding Event Determination Date falls on or prior to the relevant Interest Payment Date then the suspended interest amount will no longer be due under the Credit Linked Notes and interest will be deemed to cease to accrue on the Notes (or, in the case of Basket CLNs or Index Linked CLNs, a portion thereof equal to the Reference Entity Notional Amount of the Affected Reference Entity)

from and including the Interest Payment Date (or, the Interest Commencement Date if there is no immediately preceding Interest Payment Date) immediately preceding such Event Determination Date.

If an Applicable DC Credit Event Announcement is made and the corresponding Credit Event is an M(M)R Restructuring Credit Event, the proportion of the suspended interest amount which relates to (i) the Applicable Proportion shall no longer be due under the Notes and will be deemed to have ceased to accrue from and including the Interest Payment Date (or, the Interest Commencement Date if there is no immediately preceding Interest Payment Date) immediately preceding such Event Determination Date and (ii) the remaining suspended interest amount will be paid to Noteholders five Reference Business Days following the date on which the relevant Credit Event Notice is delivered.

**(g) Suspension of Issuer's obligations to make principal payments under the Notes**

Pursuant to Additional CLN Condition 9 (*Effect of DC Announcements*) if following the occurrence of a relevant Event Determination Date but prior to the relevant Early Redemption Date or, if applicable, an Auction Final Price Determination Date or a Valuation Obligation Valuation Date, in respect of a Reference Entity an Applicable DC Credit Event Meeting Announcement has been made any obligation to redeem the Notes in whole or in part shall be suspended until the date of an Applicable DC Credit Event Announcement or Applicable DC Credit Event Question Dismissal, as applicable.

**(h) Early Cash Redemption Amount in respect of Credit Linked Notes following a Credit Event**

If a Credit Event occurs with respect to any Reference Entity, the Applicable Proportion of the Credit Linked Notes will fall due for redemption at an amount equal in aggregate to the Early Cash Redemption Amount and no further payments of interest and/or principal in respect of the Applicable Proportion of such Notes will be due and payable. The Early Cash Redemption Amount is, in respect of Credit Linked Notes and the Applicable Proportion, an amount determined with respect to the Series (or, where the applicable Issue Terms specify that Classes apply, each Class) of Notes, in the Specified Currency (although, for the avoidance of doubt, each component of the Early Cash Redemption Amount shall be determined in the Base Currency, with the final amount converted into the Specified Currency once all determinations are made) by the Calculation Agent which will take into account (a) the Collateral Proceeds, (b) the Affected Swap Gain or Affected Swap Loss, (c) the Credit Event Loss Amount, and (d) where all Credit Linked Notes are being redeemed, any interest amount to be transferred to the Issuer by the Swap Counterparty in respect of the cash balance from time to time (if any) within the Issuer's Credit Support Balance which, where Classes apply, the Calculation Agent determines, acting in a commercially reasonable manner, is attributable to the Swap Transaction relating to each Class of Notes being redeemed. For a description of "Applicable Proportion", please refer to "*What is the Applicable Proportion?*" of the Annex to the CLN Conditions Product Supplement Frequently Asked Questions on page 233 of this Base Prospectus.

The Affected Swap Gain or Affected Swap Loss reflects the early termination amount that the Calculation Agent determines would be payable to the Issuer (in the case of an Affected Swap Gain) or by the Issuer (in the case of an Affected Swap Loss) upon the early termination of the Swap Agreement. The Affected Swap Gain or Affected Swap Loss takes into account, among other things, (i) the scheduled payments under the Notes; (ii) the scheduled payments under

the Original Collateral which determine the amounts payable by the Issuer to the Swap Counterparty under the Swap Agreement; and (iii) the limited recourse nature of the Swap Agreement in respect of the Issuer's obligations thereunder. Where Classes apply, the Affected Swap Gain or Affected Swap Loss in respect of each Class of Notes will be valued separately, in the Base Currency for such Class, and a relevant portion of the Credit Support Annex will be similarly attributed to each Class of Notes.

**(i) Risks relating to the Credit Event redemption method**

The Credit Event redemption method (i.e. one of "Auction Redemption", "Cash Redemption" or "Fixed Recovery Redemption") specified in the relevant Issue Terms will affect how the Credit Linked Notes are redeemed. Prospective investors should assess whether the Credit Event Redemption Method is appropriate for them prior to investing in the Credit Linked Notes.

(i) *Auction Redemption*

If "Auction Redemption" is specified as applicable in the applicable Issue Terms, then the amounts payable by and/or rights and obligations of the parties under the Credit Linked Notes in respect of the relevant Reference Entity or Reference Obligation will be determined in accordance with the Auction Final Price. This may result in a lower recovery value than a Reference Entity or Reference Obligation would have if such Auction Final Price had not been used.

If an ISDA DC does not decide to conduct an Auction with respect to obligations of the relevant Reference Entity satisfying the relevant characteristics as set out in the relevant Issue Terms, then Cash Redemption shall apply. In such circumstances, the Value of the Valuation Obligations will be determined using Quotations in respect of the Deliverable Obligations.

In the event of a Governmental Intervention Credit Event or certain Restructuring Credit Events which constitute an Asset Package Credit Event, the Auction Final Price may be determined by reference to the value of the Asset Package received or retained by a Relevant Holder in place of the Prior Deliverable Obligation or Package Observable Bond in connection with such Asset Package Credit Event. Such Asset Package may be worth significantly less than the original Package Observable Bond prior to such Asset Package Credit Event and may result in a significantly lower Early Cash Redemption Amount being paid out to Noteholders than would have been the case following the relevant Credit Event had the Auction Final Price ben determined only by reference to Deliverable Obligations.

(ii) *Cash Redemption*

If "Cash Redemption" applies with respect to the Credit Linked Notes (which will be the case when Auction Redemption is not possible), the Calculation Agent will value the Reference Obligation or any other obligation of the Reference Entity fulfilling certain criteria including the Deliverable Obligation Category and Deliverable Obligation Characteristics by asking for Quotations from Quotation Dealers. The date, time and method of such auction, and the selection of the Reference Obligation, will impact the Value of the Valuation Obligations. The Quotation Dealers selected by the Calculation Agent must be financial institutions, funds or other entities that purchase or deal in obligations similar to the Reference Obligation; however, the Quotation Dealers have no duty towards any Noteholder and may not be aware that the purpose of the auction is to

determine a Value of the Valuation Obligations for purposes of the Credit Linked Notes or any other Credit Linked Notes.

Investors should note that the Value of the Valuation Obligations determined pursuant to a dealer poll may be significantly different to any Auction Final Price.

In the event of a Governmental Intervention Credit Event or certain Restructuring Credit Events which constitute an Asset Package Credit Event, the Value of the Valuation Obligations may be determined by reference to the value of the Asset Package received or retained by a Relevant Holder in place of the Prior Deliverable Obligation or Package Observable Bond which would otherwise have been valued in order to determine the Value of the Valuation Obligations. Such Asset Package may be worth significantly less than the original Prior Deliverable Obligation or Package Observable Bond prior to such Asset Package Credit Event and may result in a significantly lower Early Cash Redemption Amount being paid out to Noteholders than would have been the case following the relevant Credit Event had the Value of the Valuation Obligations been determined only by reference to Deliverable Obligations.

(iii) *Fixed Recovery Redemption*

If "Fixed Recovery Redemption" is specified to be applicable in the relevant Issue Terms, following the occurrence of a Credit Event and related Event Determination Date, the return a Noteholder receives under the Notes (or if the Notes are Linear Basket CLNs or Index Linked CLNs, in respect of a proportion of the Reference Entity Notional Amount attributable to the relevant Reference Entity) will be determined according to the Fixed Recovery Percentage specified in the relevant Issue Terms.

If a fixed recovery percentage of zero is applicable in respect of the Notes, following the occurrence of a Credit Event and applicable Event Determination Date the Issuer shall not make any payment of principal to the Noteholders under the Notes (or if the Notes are Linear Basket CLNs or Index Linked CLNs, in respect of a proportion of the Reference Entity Notional Amount attributable to the relevant Reference Entity). The Noteholders will receive no payment of principal and will lose their entire invested amount if the Credit Linked Notes are linked to a single Reference Entity.

**(j) Partial exercise following an M(M)R Restructuring Credit Event**

Restructuring as a Credit Event is unique in that there are three variations of this Credit Event which can apply to Reference Entities. The M(M)R Restructuring Credit Event relates to a Mod R or Mod Mod R Restructuring Credit Event. Other than for First Default Linear Basket CLNs (in respect of which the Swap Counterparty shall not have the right to trigger a partial redemption (unless otherwise specified in the applicable Issue Terms)), the Swap Counterparty has the right in such circumstances to trigger a partial redemption of the Notes equal to the Exercise Amount. Such Exercise Amount may be less than the Reference Entity Notional Amount for a Single Name CLN (or in relation to Linear Basket CLNs, First-to-Default Basket CLNs or Index Linked CLNs, the proportion of a Note equal to the Reference Entity Notional Amount attributable to the Affected Reference Entity). This mirrors the right the Swap Counterparty would have under a credit default swap to trigger partial settlement of the credit default swap following an M(M)R Restructuring Credit Event and related Event Determination Date.

For First Default Linear Basket CLNs, Noteholders should be aware that, unlike a standard credit default swap and unless otherwise specified in the applicable Issue Terms, the Swap Counterparty will not have the right to trigger a partial redemption of the Notes following an M(M)R Restructuring Credit Event and, accordingly, the Notes will instead be redeemed in full following the occurrence of such a Credit Event.

**(k) Successors and Substitute Reference Obligations**

Following a Succession Date, one or more Successor Reference Entity or Successor Reference Entities will (unless otherwise specified in the relevant Issue Terms) be deemed to be a Reference Entity in replacement of (or in addition to, as applicable) the relevant Reference Entity originally specified in the relevant Issue Terms. Further, upon a Reference Obligation ceasing to exist in the manner specified in the definition thereof, a Substitute Reference Obligation may be selected.

As a result of the circumstances discussed in the preceding paragraph, a Series of Notes may be linked to the credit of one or more Reference Entities and their Reference Entity Obligations and Reference Obligations notwithstanding that such Reference Entities, Reference Entity Obligations and Reference Obligations were not specified in the relevant Issue Terms upon issuance of such Series of Notes.

If one or more Successors are identified in respect of a Reference Entity this could increase the likelihood of a Credit Event and related Event Determination Date occurring in respect of the Notes.

Although the Calculation Agent has the right to make a determination as to whether or not a succession event has occurred, its right is limited by the Additional CLN Conditions as follows: the Calculation Agent (i) cannot make such determination if an ISDA DC has already determined that such event does not constitute a Succession Event; (ii) is required to act on the basis of Eligible Information and (iii) is required to act in good faith and a commercially reasonable manner in accordance with Master Condition 9(h) (*Determinations and actions*). For further information see the risk factor entitled "*Calculation Agent calculations and determinations*".

**(l) Redemption after Scheduled Maturity Date**

Redemption may occur irrespective of whether the relevant Credit Event is continuing on or after a relevant Event Determination Date. The Early Redemption Date may be later than the Scheduled Maturity Date. If the Calculation Agent determines that one or more Reference Entities is or may be subject to (a) a Credit Event, (b) if "Grace Period Extension" is specified as applicable in the relevant Issue Terms, a Potential Failure to Pay or, (c) if "Repudiation/Moratorium" is specified as applicable in the relevant Issue Terms, a Potential Repudiation/Moratorium, the Credit Linked Notes then outstanding shall not be redeemed on the Scheduled Maturity Date but shall be redeemed instead on the Extended Maturity Date. If an extension of the Scheduled Maturity Date applies pursuant to and in accordance with Additional CLN Condition 4 (*Maturity Date Extension*), the Swap Counterparty may deliver a Credit Event Notice and if applicable a Notice of Publicly Available Information or the ISDA DC may make a DC Credit Event Announcement which will trigger settlement of the Credit Linked Notes in accordance with the Auction Redemption Terms, Cash Redemption Terms or Fixed Recovery Redemption Terms, as the case may be and each as set out in the Additional CLN Conditions, after the Scheduled Maturity Date.

If the Maturity Date of the Notes is extended in such circumstances the Noteholders will not receive payment of principal and interest (if any) payable on such date. Upon such a postponement of the Maturity Date Noteholders may or may not be entitled to receive interest on any unpaid amounts. The relevant Issue Terms will specify whether or not Postponement Interest is applicable.

If an Event Determination Date (i) has not occurred on or prior to the Notes Extension Date then the Notes will be redeemed on the fifth Reference Business Day following the Notes Extension Date (or, if relevant, such other date specified in the applicable Issue Terms); (ii) has occurred on or prior to the Notes Extension Date then the Notes will be redeemed on the Early Redemption Date in accordance with the Auction Settlement Terms, Cash Redemption Terms or Fixed Recovery Redemption Terms, as applicable. No further interest amount will be payable under the Notes following the occurrence of a relevant Event Determination Date from and including the Interest Payment Date immediately preceding such Event Determination Date or such other date specified in the relevant Issue Terms (as applicable).

**(m) Early Cash Redemption Amount in respect of Credit Linked Notes where no Credit Event has occurred**

Where Credit Linked Notes are redeemed early for any reason other than the occurrence of a Credit Event, interest shall be deemed to have ceased to accrue from and including the immediately preceding Interest Payment Date or (if no such preceding Interest Payment Date) the Interest Commencement Date, the Notes will fall due for redemption at an amount equal in aggregate to the Early Cash Redemption Amount and no further payments of interest and/or principal in respect of any Notes will be due and payable.

The Early Cash Redemption Amount is, where no Credit Event has occurred, an amount determined with respect to the Notes (or, where the applicable Issue Terms specify that Classes apply, each Class of Notes), in the Specified Currency (although, for the avoidance of doubt, each component of the Early Cash Redemption Amount shall be determined in the Base Currency, with the final amount converted into the Specified Currency once all determinations are made) for the Notes, by the Calculation Agent which will take into account (a) the Collateral Proceeds, (b) the portion of any Termination Payment in respect of the Swap Agreement that is payable to the Issuer by the Swap Counterparty (and, where Classes apply, is attributable to such Class of Notes being redeemed), (c) the portion of any Termination Payment in respect of the Swap Agreement that is payable by the Issuer to the Swap Counterparty (and, where Classes apply, is attributable to such Class of Notes being redeemed) and (d) where all Credit Linked Notes are being redeemed, any interest amount to be transferred to the Issuer by the Swap Counterparty in respect of the cash balance from time to time (if any) within the Issuer's Credit Support Balance. Where Classes apply, each of limbs (b), (c) and (d) will be subject to the determination by the Calculation Agent, acting in a commercially reasonable manner, as to what portion or amount is attributable to the Swap Transaction relating to each Class of Notes being redeemed.

The Collateral Proceeds represents, in the Base Currency, all cash sums derived from Liquidation of the Applicable Proportion of the Collateral or, where Classes apply, the Applicable Proportion of the Class Collateral.

The Termination Payment payable to the Issuer from the Swap Counterparty, or from the Issuer to the Swap Counterparty, represents an aggregated amount due under the Swap Agreement following an early termination of the same.

Prospective Noteholders must read and understand all the provisions herein that relate to the calculation of the Early Cash Redemption Amounts before investing in the Notes.

**(n) Additional CLN Conditions**

The terms and conditions of the Credit Linked Notes do not incorporate by reference the definitions and provisions of the 2014 ISDA Credit Derivatives Definitions, as such definitions may be amended by the supplements thereto and there may be differences between the definitions used in the Additional CLN Conditions and the 2014 ISDA Credit Derivatives Definitions. As such, investing in Credit Linked Notes is not exactly the same as entering into a credit default swap that incorporates the 2014 ISDA Credit Derivatives Definitions.

While ISDA has published the 2014 ISDA Credit Derivatives Definitions in order to facilitate transactions and promote uniformity in the credit derivatives market, the credit derivatives market is expected to continue to evolve and change. Consequently, the 2014 ISDA Credit Derivatives Definitions and the terms applied to credit derivatives, including Credit Linked Notes, are subject to interpretation and further evolution. Past events have shown that the views of market participants may differ as to how the 2014 ISDA Credit Derivatives Definitions operate or should operate. As a result of the continued evolution in the market, interpretation of the Credit Linked Notes may differ in the future because of future market standards. Such a result may have a negative impact on the Credit Linked Notes.

There can be no assurances that changes to the terms applicable to credit derivatives generally will be predictable or favourable to the Issuer or Noteholders. Future amendments or supplements to the terms applicable to credit derivatives generally will only apply to Credit Linked Notes that have already been issued if the Issuer and the Noteholders agree to amend the Credit Linked Notes to incorporate such amendments or supplements and other conditions to amending the Credit Linked Notes have been met.

The 2014 ISDA Credit Derivatives Definitions introduced the new Asset Package Delivery provisions. As at the date of this Base Prospectus, the Auction Settlement Terms published by ISDA have not been updated to reflect such Asset Package Delivery provisions. The Calculation Agent has discretion to adjust the Auction Final Price for any Asset Package if it determines that the Auction Final Price does not reflect the price for the entire Asset Package and in doing so the Calculation Agent may, but is not obliged to, have regard to any Auction Settlement Terms published by ISDA to settle credit derivatives transactions following an Asset Package Credit Event.

If the Calculation Agent decides to amend the Auction Final Price in such circumstances any corresponding adjustment to the price must comply with the provisions of Additional CLN Condition 6(d) (*Auction Final Price of the Asset Package*) which includes (i) the Calculation Agent preserving the economic effects of the terms of the Credit Linked Notes; and (ii) the Calculation Agent not taking into account any method of determining the Asset Market Value of any Asset that is a Non-Transferable Instrument or a Non-Financial Instrument forming part of the Asset Package that has been taken into account in determining the Auction Final Price published by the DC Secretary. The Calculation Agent is also under a duty to act in good faith and a commercially reasonable manner when making such determination pursuant to Master Condition 9(h) (*Determinations and actions*).

### (o) Credit Derivatives Determinations Committees

The Credit Derivatives Determinations Committees (each, an "**ISDA DC**") were established pursuant to the March 2009 Supplements to the 2003 ISDA Credit Derivatives Definitions to make determinations that are relevant to the majority of the credit derivatives market and to promote transparency and consistency. Further information about the ISDA DCs may be found at https://dc.isda.org/.

Whether or not a Credit Event or Succession Event has occurred, and certain decisions relating thereto, may be dependent on determinations made by the ISDA DC. In certain circumstances, determinations made by the Swap Counterparty and/or the Calculation Agent may be overridden by subsequent determinations made by an ISDA DC. If the Issuer delivers a Credit Event Notice or Succession Event Notice to the Trustee, the Noteholders should be aware that such notice may be superseded by a determination of an ISDA DC.

The Swap Counterparty and the Calculation Agent as applicable shall have regard to and, where applicable, be bound by decisions made by an ISDA DC.

Noteholders will have no ability to submit questions to an ISDA DC, no influence on the composition of an ISDA DC and no recourse to ISDA or to the members of such ISDA DC, in each case solely by virtue of being an investor in the Notes. None of the Issuer, the Swap Counterparty or the Calculation Agent will have any liability to the Noteholders where they rely on a determination of an ISDA DC.

Credit Suisse International and certain of its affiliates are currently members of one or more ISDA DCs. In reaching decisions, neither Credit Suisse International nor any other member of an ISDA DC will take account of the interests of the Noteholders.

Whilst Credit Suisse International and certain of its affiliates acting in their respective capacities as members of any relevant ISDA DC may make determinations in respect of Reference Entities and/or any obligations of such Reference Entities which could have an adverse impact on the Notes held by investors, such determinations will not be made by Credit Suisse International or any applicable affiliate unilaterally.

Noteholders shall have no recourse against the Issuer, the Trustee, the Swap Counterparty, the Calculation Agent, Credit Suisse International and or any of its affiliates, any institutions serving on an ISDA DC or the external reviewers in the event of any loss arising directly or indirectly from any action, determination or resolution taken or made by an ISDA DC.

### (p) A Credit Event may occur even if the Issuer and/or Swap Counterparty suffers no loss

The Issuer's obligations under the Notes and the Swap Transaction are irrespective of any loss which the Issuer and/or the Swap Counterparty may suffer as a result of the circumstances giving rise to a Credit Event and related Event Determination Date. Neither the Issuer nor the Swap Counterparty are required to suffer any loss, liability or other detriment at any time as a condition to the occurrence of a Credit Event and related Event Determination Date, nor is any party required to have any credit exposure to any Reference Entity at any time.

### (q) Determination of Value

Whilst the Value of the Valuation Obligations are determined by reference to Quotations, if no Quotations are obtained, such value shall be determined by the Calculation Agent acting in

good faith and a commercially reasonable manner. Where an asset the value of which is being sought is illiquid or of a low notional amount, there may be a limited availability of dealers willing to provide Quotations. In such circumstances, the Calculation Agent would instead make such determination in accordance with the provisions of Master Condition 9(h) (*Determinations and actions*); for further information please see the risk factor entitled "*Calculation Agent calculations and determinations*". No assurance can be given that sufficient numbers of Quotations will be available.

**(r) Hedging**

In the ordinary course of their business, including without limitation in connection with their market-making activities, the Swap Counterparty, the Calculation Agent, the Quotation Dealers and/or any agent or any Affiliate of any of them (each such entity, a "**Programme Party**") may effect transactions for their own account or for the account of their customers and hold long or short positions in any applicable Reference Obligation or related derivatives. In addition, in connection with the offering of the Credit Linked Notes, any Programme Party may enter into one or more hedging transactions with respect to a Reference Entity or Reference Entities, any applicable Reference Obligation or related derivatives. Credit Suisse International has policies and procedures in place to identify and manage any conflicts of interest that may arise in relation to the above activities, for further information please see the risk factor entitled "*Conflicts of Interest – General*". In connection with such hedging or market-making activities or with respect to proprietary or other trading activities by any Programme Party, a Programme Party may enter into transactions with respect to the Reference Entity or Entities, any applicable Reference Obligation or related derivatives which may affect the market price, liquidity or value of the Credit Linked Notes and which could be deemed to be adverse to the interests of the relevant Noteholders. Any Programme Party may pursue such hedging or related derivatives actions and take such steps as they deem necessary or appropriate to protect their interests without regard to the consequences for any Noteholder.

**(s) Change in Standard Hedging Terms**

If the Calculation Agent determines that the terms of any hedging activities that the Swap Counterparty (and/or any of its affiliates) has or may enter into in connection with the credit default swap are modified pursuant to any protocol published by ISDA or any equivalent market arrangement (determined by the Calculation Agent acting in good faith and a commercially reasonable manner) (a "**Change in Standard Hedging Terms**") has occurred, it may make such amendments to the terms of any of the Notes and/or the Transaction Documents as it determines (acting in good faith and a commercially reasonable manner) are appropriate to account for the effect (including, without limitation, the economic effect) of such Change in Standard Hedging Terms on any hedging activities that the Swap Counterparty (and/or any of its affiliates) may enter into in connection with the credit default swap.

It is possible that, as a result of such amendments, the interest rate under the Notes and/or the credit default swap may change and/or other amendments may be made to the Notes and/or the Transaction Documents. The Noteholders will be bound by such amendments and it is possible that such amendments may negatively impact the valuation profile of the credit default swap, and/or value, marketability and/or return on the Notes and Noteholders may suffer a loss.

### (t) No Guarantee of Performance

The Credit Linked Notes constitute direct and unsubordinated obligations of the Issuer that are linked to the credit risk of each Reference Entity and/or Reference Obligation specified in the relevant Issue Terms. No Programme Party guarantees, or otherwise stands behind, the performance of any Reference Entity or Reference Obligation or is under any obligation to make good losses suffered as a result of Credit Events each of which may negatively impact on the value, marketability and/or return on the Notes and the losses that Noteholders may suffer.

### (u) LPN Reference Entities

If the applicable "Transaction Type" in respect of a Reference Entity is specified as "Standard Emerging European Corporate LPN" in the relevant Issue Terms, the Additional CLN Conditions will apply in a way that reflects the Additional Provisions for LPN Reference Entities published by ISDA on 15 September 2014. The Additional CLN Conditions, among other things, amend and expand the definition of "Reference Obligation" to cover (among other things) loan participation notes ("**LPN**") which, as of the Trade Date for the Swap Transaction, are issued for the sole purpose of providing funds for the issuer(s) of such LPN to finance a loan or provide alternative finance to the relevant Reference Entity. Accordingly, a Credit Event may occur in respect of obligations that are not direct obligations of the relevant Reference Entity. Prospective investors in the Notes should conduct their own review and investigation of any LPN which may constitute a Reference Obligation, the issuer(s) of such LPN and associated credit risks.

## 6 Risks relating to other parties

### (a) Reliance on creditworthiness of Credit Suisse International

The ability of the Issuer to meet its obligations under the Notes depends on the receipt by it of payments under the Swap Agreement. Furthermore, the ability of the Issuer to meet its obligations under the Notes and to remain solvent may be impaired if Credit Suisse International (acting as the Arranger), fails to pay the Issuer's fees and expenses and neither the Trustee nor the holders of the Notes elect to pay such fees and expenses. Investors in the Notes are accordingly exposed, as to both principal and interest, to the credit risk of Credit Suisse International.

Potential investors should further note that Credit Suisse International may be subject to recovery and resolution measures pursuant to national laws transposing and implementing the BRRD (as further described in the risk factor entitled "*Risks relating to the Notes – Resolution of financial institutions*" above).

### (b) Risks relating to the Swap Counterparty and the Swap Agreement

(i) *The Swap Counterparty*

The ability of the Issuer to meet its obligations under the Notes may depend on the receipt by it of payments under the Swap Agreement (if any). Consequently, the Issuer is exposed not only to the occurrence of an Original Collateral Default in relation to the Original Collateral and the volatility in the market value of the Collateral, but also to the ability of the Swap Counterparty to perform its obligations under the Swap Agreement. Default by the Swap Counterparty may result in the termination of the Swap Agreement

and, in such circumstance, any amount due to the Issuer upon such termination may not be paid in full.

Default by the Swap Counterparty may result in the termination of the Swap Agreement and, in such circumstances, any amount due to the Issuer upon such termination may not be paid in full. If, on the termination of the Swap Agreement an amount is payable by the Swap Counterparty to the Issuer (for the avoidance of doubt taking into account any collateral posted between the parties pursuant to the terms of any Credit Support Annex to the Swap Agreement), then the Issuer shall have an unsecured claim against the Swap Counterparty. Any termination of the Swap Transactions under a Swap Agreement will result in a redemption in full of the Notes at their Early Redemption Amount. Upon any such redemption, the amount paid or delivered to Noteholders to redeem the Notes may be significantly less than the Noteholder's original investment in such Notes and may be zero.

If on the termination of the Swap Agreement an amount is payable by the Swap Counterparty to the Issuer (for the avoidance of doubt, taking into account any collateral posted between the parties pursuant to the terms of any Credit Support Annex to the Swap Agreement), then the Issuer shall have an unsecured claim against the Swap Counterparty for such amount.

The receipt by the Issuer of payments and/or deliveries under the Swap Agreement is also dependent on the timely payment and/or delivery by the Issuer of its obligations under the Swap Agreement. The ability of the Issuer to make timely payment and/or delivery of its obligations under the Swap Agreement depends on receipt by it of the scheduled payments under and/or deliveries of the Original Collateral. Consequently, the Issuer is also exposed to the ability of the issuers and guarantors of the Original Collateral to perform their respective payment and/or delivery obligations.

In the circumstances specified in any Swap Agreement entered into by the Issuer in connection with the Notes, the Issuer or the Swap Counterparty may terminate all outstanding Swap Transactions under the Swap Agreement in full, as described in the section of this Base Prospectus entitled "*The Swap Agreement*". Any such termination of the Swap Transactions under a Swap Agreement will result in a redemption in full of the relevant Series of Notes at their Early Redemption Amount. Upon any such redemption, the amount paid or delivered to Noteholders to redeem such Notes may be significantly less than the Noteholder's original investment in such Notes and may be zero.

Where the applicable Issue Terms specify that the Pass-Through Note Terms Product Supplement applies to a Series of Notes, unless otherwise specified in the applicable Issue Terms, the Issuer will not enter into a Swap Agreement.

The Swap Counterparty may also be subject to a resolution regime (see the risk factor entitled "*Risks relating to the notes – Resolution of financial institutions*" above).

(ii) *SFTR (Article 15) Title Transfer Collateral Arrangements risk disclosure*

In respect of each Series, the Issuer may enter into one or more "title transfer collateral arrangements" (as defined in Article 2(1) of Directive 2002/47/EC) (each such arrangement, a "**Title Transfer Arrangement**") with a counterparty (as the "**Title**

**Transfer Counterparty**"), as specified in the relevant Issue Terms, in respect of the relevant Series. The Credit Support Annex will constitute Title Transfer Arrangements.

Under Article 15 of Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012 (as amended from time to time) ("**SFTR**"), the transferee of securities under any Title Transfer Arrangement is required to inform the transferor of such securities of the general risks and consequences that may be involved in entering into a Title Transfer Arrangement. Such risks are detailed below and are also relevant for Noteholders even though they will not be directly party to any Title Transfer Arrangement, particularly in circumstances where the Issuer is a transferor of securities under a Title Transfer Arrangement.

In the section below, the person that transfers securities under a Title Transfer Arrangement is referred to as the "**Transferor**", the person to whom such securities are transferred is referred to as the "**Transferee**" and the securities so transferred are referred to as the "**Securities Collateral**".

(A) **Loss of proprietary rights in Securities Collateral**

The rights, including any proprietary rights, that a Transferor has in Securities Collateral transferred to a Transferee will be replaced (subject to any security granted by the Transferee) by an unsecured contractual claim for delivery of equivalent Securities Collateral, subject to the terms of the Title Transfer Arrangement. If the Transferee becomes insolvent or defaults under the Title Transfer Arrangement, the Transferor's claim for delivery of equivalent Securities Collateral will not be secured and will be subject to the terms of the Title Transfer Arrangement and applicable law. Consequently, the Transferor may not receive such equivalent Securities Collateral (although the Transferor's exposure may be reduced to the extent that its liabilities to the Transferee under such Title Transfer Arrangement can be netted or set-off against the obligation of the Transferee to deliver equivalent Securities Collateral to the Transferor).

Where the Issuer is the Transferor, upon transfer of the Securities Collateral, such securities will cease to form part of the Mortgaged Property such that Noteholders will no longer have the benefit of security over such securities. If the Title Transfer Counterparty (as Transferee) becomes insolvent or otherwise defaults, the Mortgaged Property will not include equivalent Securities Collateral which the Issuer might otherwise have been expecting to receive. In these circumstances, Noteholders should be aware that the net proceeds of realisation of the Mortgaged Property may be insufficient to cover amounts that would otherwise be due under the Notes and consequently the Noteholders are exposed to the credit risk of the Title Transfer Counterparty (as Transferee).

The Title Transfer Counterparty will not have any proprietary rights in the Securities Collateral transferred to the Issuer. If the Issuer defaults under the Title Transfer Arrangement, the Title Transfer Counterparty's claim for delivery of equivalent Securities Collateral will, as a result of the applicable payment waterfall, be subordinated to prior ranking claims of certain other Secured Creditors in respect of the Mortgaged Property. Consequently, the Transferor may not receive the equivalent Securities Collateral (although the Transferor's

exposure may be reduced to the extent that its liabilities to the Transferee under such Title Transfer Arrangement can be netted or set-off against an obligation on the Transferee to deliver equivalent Securities Collateral to the Transferor).

(B) **Stay of proceedings following resolution process**

In the event that a resolution process (i.e. the process by which the authorities can intervene to manage the failure of a firm in an orderly fashion) is commenced by a resolution authority under any relevant resolution regime in relation to the Transferee, then (i) any rights that the Transferor may have to take any action against the Transferee, such as to terminate the Title Transfer Arrangement, may be subject to a stay by the relevant resolution authority and (ii) the Transferor's claim for delivery of equivalent Securities Collateral may be reduced (in part or in full) or converted into equity or (iii) a transfer of assets or liabilities may result in the Transferor's claim against the Transferee being transferred to different entities, although the Transferor may be protected to the extent that the exercise of resolution powers is restricted by the availability of set-off or netting rights.

Where the Issuer is the Transferor, this means that the Issuer may not be able to immediately enforce its rights against the Title Transfer Counterparty and its rights may be altered by operation of law or contract. Noteholders will be exposed to the risk of such delay and alteration of rights against the Title Transfer Counterparty.

(C) **Loss of voting rights in respect of Securities Collateral**

The Transferor in respect of any Securities Collateral will not be entitled to exercise, or direct the Transferee to exercise any voting, consent or similar rights attached to the Securities Collateral.

Noteholders should be aware that where the Transferor is the Issuer, the Noteholders will not have any right under the Notes to direct the Issuer to exercise any voting, consent or similar rights attached to the Securities Collateral.

(D) **No information provided in respect of Securities Collateral**

The Transferee will have title to any Securities Collateral and may or may not continue to hold such Securities Collateral and as such it will have no obligation to inform the Transferor of any corporate events or actions in relation to any Securities Collateral.

Where the Issuer is the Transferor, this means that no assurance can be given to Noteholders that they will be informed of events affecting any Securities Collateral.

## (c) Risks relating to the Custodian

(i) *Custodian risk*

Collateral in the form of cash or transferable securities will be held in an account of the Custodian in the name of the Issuer. Where the Collateral consists of assets other than cash or transferable securities, it may be held in the name of the Issuer or under the control of the Custodian or in such other manner as is approved by the Trustee.

The ability of the Issuer to meet its obligations with respect to the Notes will be dependent upon receipt by the Issuer of payments from the Custodian under the Agency Agreement for the Notes (if the Collateral is so held). Consequently, the Noteholders are relying on the ability of the Custodian to perform its obligations under the Agency Agreement for such Notes.

Any cash deposited with the Custodian by the Issuer and any cash received by the Custodian for the account of the Issuer in relation to a Series will be held by the Custodian as banker and not as trustee. Accordingly, such cash will not be held as client money and will represent only an unsecured claim against the Custodian's assets.

(ii) *Sub-custodians, depositaries and clearing systems*

**(A) Credit risk**

Under the Agency Agreement the Issuer authorises the Custodian to hold the Collateral in the Custodian's account or accounts with any sub-custodian, any securities depositary or at such other account keeper or clearing system as may be appropriate for the type of instruments which comprise the Collateral.

Where the Collateral is held with a sub-custodian, the Custodian will remain liable for the losses resulting from the negligence, wilful default or fraud of such sub-custodian (provided, in the case of Citibank, N.A. acting through its London Branch, that such sub-custodian is a Citi Affiliate (as such term is defined in the Agency Agreement)). Where the Collateral is held with a securities depositary or clearing system (whether via the Custodian, a sub-custodian or otherwise), the ability of the Issuer to meet its obligations with respect to the Notes will be dependent upon receipt by the Issuer of payments from the Custodian under the Agency Agreement for the Notes (if the Collateral is so held) and, in turn, the Custodian (and any applicable sub-custodian) will be dependent (in whole or in part) upon receipt of payments from such, securities depositary or clearing system. Consequently, the Noteholders are relying not only on the creditworthiness of the Collateral and the ability of the Custodian to perform its obligations under the Agency Agreement for such Notes (and any obligations of any sub-custodian under or pursuant to the Agency Agreement or otherwise), but also on the performance of the respective obligations of, and the creditworthiness of any securities depositary or clearing system holding the Collateral deposited by the Custodian or any sub-custodian.

**(B) Lien/Right of set-off**

Pursuant to their terms of engagement, sub-custodians, security depositaries or clearing systems may have liens or rights of set-off with respect to the Collateral held with them in relation to any of their fees and/or expenses. If, for whatever reason, the Custodian fails to pay such fees and/or expenses, the relevant sub-custodian, security depositary or clearing system may exercise such lien or right of set-off, which may result in the Issuer failing to receive any payments due to it in respect of the Collateral, and thereby adversely affecting the ability of the Issuer to meet its obligations with respect to the Notes.

Therefore, the ability of the Issuer to meet its obligations with respect to the Notes will not only be dependent upon receipt by the Issuer of payments from the

Custodian under the Agency Agreement for the Notes (if the Collateral is so held) but will also be dependent on any sub-custodian, security depositary or clearing system not exercising any lien or right of set-off in respect of any Collateral that it holds. Consequently, the Noteholders are relying not only on the creditworthiness of the Collateral, but also on the creditworthiness of the Custodian in paying when due any fees or expenses of such sub-custodian, security depositaries or clearing systems (or the ability of the Issuer to pay such amounts due to the Custodian and/or the sub-custodians, security depositary or clearing system).

**(d) Risks relating to the Issuing and Paying Agent**

Any payments and/or deliveries made to Noteholders in accordance with the Conditions will be made by the Issuing and Paying Agent on behalf of the Issuer. Pursuant to the Agency Agreement, the Issuer is to transfer to the Issuing and Paying Agent such amount as may be due under the Notes, on or before each date on which such payment and/or deliveries in respect of the Notes becomes due.

If the Issuing and Paying Agent, while holding funds for payment to Noteholders in respect of the Notes, is declared insolvent, the Noteholders may not receive all (or any part) of any amounts due to them in respect of the Notes from the Issuing and Paying Agent. The Issuer will still be liable to Noteholders in respect of such unpaid amounts but the Issuer will have insufficient assets to make such payments (or any part thereof) and Noteholders may not receive all, or any part, of any amounts due to them. Consequently, the Noteholders are relying not only on the creditworthiness of the Collateral, but also on the creditworthiness of the Issuing and Paying Agent in respect of the performance of its obligations under the Agency Agreement to make or facilitate payments to Noteholders.

**(e) Risks relating to the Disposal Agent**

(i) *Liquidation*

Where the Notes of a Series or a Class thereof are to be redeemed as a result of a redemption being triggered prior to the Maturity Date, or where the Collateral has a stated maturity falling after the Maturity Date of the Notes, the Disposal Agent is generally required to sell or otherwise liquidate the Collateral. Except as otherwise set out in the Conditions, the Disposal Agent is permitted to sell all or any part of the Collateral at any time or at different times during the relevant period or in stages in respect of smaller portions, and will not have any liability for doing so if a higher price could have been obtained had such sale taken place at a different time during such specified period and/or had or had not been effected in stages in respect of smaller portions. Further, if the Notes are Collateral Basket Notes and “Partial Unwind with Shortfall” is specified in the relevant Issue Terms and the net proceeds of Liquidation of the Affected Collateral Component are less than such Partial Swap Loss, the Disposal Agent shall determine, in its absolute discretion, which Additional Collateral to liquidate to make up such Shortfall Amount.

The Disposal Agent may elect not to liquidate the Collateral in certain circumstances including without limitation, on the grounds of illegality. If the Disposal Agent decides not to liquidate the Collateral (i) it shall not be held liable for failing to liquidate the Collateral in such circumstances; and (ii) this could affect the ability of the Issuer to make payment of any amounts on account of interest and/or principal under the Notes to Noteholders.

If the Issuer is subject to a Bankruptcy Event, to the extent that a competent bankruptcy officer has been appointed in the context of the bankruptcy proceedings, such bankruptcy officer will replace the Disposal Agent and will Liquidate the Collateral in accordance with the applicable legal and regulatory provisions.

(ii) *Replacement Disposal Agent*

Upon the occurrence of a Disposal Agent Bankruptcy Event, the Disposal Agent's appointment will be automatically terminated and the Issuer will be required to appoint a replacement institution to take its place. Such replacement will be chosen either by the Issuer, with the prior approval of the Trustee and (unless either a Counterparty Bankruptcy Credit Event in relation to the Swap Counterparty or a Swap Counterparty Event has occurred) the Swap Counterparty or by the Noteholders acting by Extraordinary Resolution. Arranging for and appointing any such replacement may delay any required liquidation of the Collateral and related payments and/or deliveries on the Notes and there is no guarantee that any replacement will be found. Any delay or failure to appoint such a replacement may have adverse consequences for the Noteholders.

**(f) Risks relating to the Calculation Agent**

(i) *Calculation Agent Bankruptcy Event*

Upon the occurrence of a Calculation Agent Bankruptcy Event, the Calculation Agent's appointment will be automatically terminated and the Issuer will be required to appoint a replacement institution to take its place. Such replacement will be chosen either by the Issuer, with the prior approval of the Trustee and (unless either a Counterparty Bankruptcy Credit Event in relation to the Swap Counterparty or a Swap Counterparty Event has occurred) the Swap Counterparty or by the Noteholders acting by Extraordinary Resolution. Arranging for and appointing any such replacement may delay certain determinations and related payments and/or deliveries on the Notes and there is no guarantee that any replacement will be found. Any delay or failure to appoint such a replacement may have adverse consequences for the Noteholders.

(ii) *Calculation Agent calculations and determinations*

The Calculation Agent has broad discretionary authority to make various determinations and adjustments under the Notes, any of which may have an adverse effect on the market value thereof or amounts payable or other benefits to be received thereunder.

The Calculation Agent shall, in accordance with Master Condition 9(h) (*Determinations and actions*), act in good faith and a commercially reasonable manner when making any determinations or calculations under the Conditions in relation to the Notes. Any determinations made by the Calculation Agent in relation to the Notes shall (in the absence of manifest error) be binding, final and conclusive.

In making calculations and determinations with regard to the Notes, there may be a difference of interest between the investors and the Calculation Agent. The Calculation Agent is required to act in good faith and in a commercially reasonable manner but does not have any obligations of agency or trust for any investors and has no fiduciary obligations towards them. In particular, the Calculation Agent and its affiliated entities may have interests in other capacities (such as other business relationships and activities).

The determination as to whether a Collateral Event has occurred shall be made by the Calculation Agent under the Notes and without regard to any related determination by the Original Collateral Obligor or any action taken, omitted to be taken or suffered to be taken by any other person, including, without limitation, any creditor of the Original Collateral Obligor.

Further, all calculations and determinations are made by the Calculation Agent in relation to the Credit Linked Notes are final and binding on the Issuer, the Trustee, the Paying Agents, any agents appointed under the Agency Agreement and the Noteholders. In selecting any Deliverable Obligations or Valuation Obligations or in the making any other selection in accordance with the Additional CLN Conditions, the Calculation Agent is not under any obligation to the Noteholders or any other person and, provided that such selection meets the criteria specified, the relevant Calculation Agent will not be liable (in any capacity whatsoever) to account to the Noteholders or any other person for any profit or other benefit to it which may result directly or indirectly from any such selection.

**(g) Impact of FATCA Withholding on all Agents**

The application of FATCA withholding to interest, principal or other amounts payable under or in respect of the Notes is not clear (see the risk factor entitled "*Risks relating to the Issuer - FATCA and the possibility of U.S. withholding tax on payments*" above). 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.

**(h) Conflicts of interest**

The Transaction Parties and their affiliates may act in a number of capacities in connection with the Notes and the Mortgaged Property in respect of a Series and need not take into account specific interests of any individual Noteholder. Such a party may also enter into business dealings relating to the Notes or the Collateral or any asset to which the Notes or Collateral are exposed, including the acquisition of the notes, from which such party may derive revenues and profits in addition to any fees stated in the various documents, without any duty to account therefore, or act in a way that is adverse to the interests of the Noteholders generally.

In addition, where the Swap Counterparty is entitled to exercise its discretion or to undertake a decision in such capacity under or in respect of the Swap Agreement, the terms and conditions or otherwise in respect of the Notes then such party will be under no obligation or duty to the Noteholders or any other person and is likely to attempt to maximise the beneficial outcome for itself and will not be liable to account to the Noteholder or any other person for any profit or other benefit to them or any of their respective affiliates that may result directly or indirectly from any such action.

For further information, see the section of this Base Prospectus entitled "*Conflicts of Interest".*

**(i) Systemic risk**

Financial institutions and other significant participants in the financial markets that deal with each other are interrelated as a result of trading, investment, clearing, counterparty and other relationships. This risk is sometimes referred to as "systemic risk". Financial institutions such

as the Arranger, the Dealer, the Trustee, the Swap Counterparty the Custodian and the Agents (or any affiliate of any of them) and any obligors of the Collateral (or any guarantor or credit support provider in respect thereof) that are financial institutions or are significant participants in the financial markets are likely routinely to execute a high volume of transactions with various types of counterparties, including brokers and dealers, commercial banks, investment banks, insurers, mutual and hedge funds and institutional clients. To the extent they do so, they are and will continue to be exposed to the risk of loss if counterparties fail or are otherwise unable to meet their obligations. In addition, a default by a financial institution or other significant participant in the financial markets, or concerns about the ability of a financial institution or other significant participant in the financial markets to meet its obligations, could lead to further significant systemic liquidity problems and other problems that could exacerbate the global financial crisis and as such have a material adverse impact on other entities.

Accordingly, Noteholders of a Series may suffer greater losses (and be more likely to suffer losses) as a result of such systemic risk then they may otherwise have done had the Arranger, the Dealer, the Trustee, the Swap Counterparty, the Custodian, the Agents and/or, where, applicable any Collateral Obligor not all been financial institutions, significant participants in the financial markets or affiliates thereof.

# DISCLAIMERS

**This Base Prospectus does not constitute an offer of, or an invitation by or on behalf of the Issuer or the Dealer to subscribe for, or purchase, any Notes.**

## (a) The Notes

The Notes are complex instruments that involve substantial risks and are suitable only for sophisticated investors who have sufficient knowledge and experience and access to such professional advisers as they shall consider necessary in order to make their own evaluation of the risks and the merits of such an investment (including without limitation the tax, accounting, credit, legal, regulatory and financial implications for them of such an investment) and who have considered the suitability of such Notes in light of their own circumstances and financial condition. Prospective investors should ensure that they understand the nature of the risks posed by an investment in the Notes, and the extent of their exposure as a result of such investment in the Notes and, before making their investment decision, should consider carefully all of the information set forth in this Base Prospectus and, in particular, the considerations set forth below. Owing to the structured nature of the Notes, their price may be more volatile than that of unstructured securities.

The Issuer believes that the following factors may affect its ability to fulfil its scheduled obligations under the Notes issued under the Programme.

Factors which the Issuer believes may be material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described below.

The Issuer believes that the factors described below represent the principal risks inherent in investing in Notes issued under the Programme, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with any Notes or the reduction of any such amounts may occur for other reasons not set out herein and the Issuer does not represent that the statements below regarding the risks of holding any Notes are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus and the applicable Issue Terms, and reach their own views prior to making any investment decision.

The Arranger and the Dealer disclaim any responsibility to advise purchasers of Notes of the risks and investment considerations associated therewith as may exist at the date hereof or as may from time to time alter. Additional risk factors may be set out in any Alternative Drawdown Document for any Series and prospective purchasers should also read those risk factors in connection with the Notes to which such Alternative Drawdown Document relates.

## (b) Investors

Each prospective investor in Notes should have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Notes, including where principal and interest may reduce as a result of the occurrence of different events whether related to the creditworthiness of any entity or otherwise or changes in particular rates, prices, values or indices, or where the currency for principal or interest payments is different from the prospective investor’s currency, including a loss of their entire invested amount and any potential returns related to it.

Investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each prospective investor should therefore consult

its professional advisers to determine whether and to what extent (i) the Notes are legal investments for it, and/or (ii) other restrictions apply to its purchase of any Notes. Financial institutions should consult their professional advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

For the purposes of these risk factors, references to "Noteholders" or "holders" of Notes should generally be read as including holders of beneficial interests in such Notes, except where the context otherwise requires.

**(c) Security**

The Notes will have the benefit of English law-governed security interests (and, in certain circumstances, security interests governed by the laws of any other relevant jurisdiction) which are granted to the Trustee (for the benefit of the Transaction Parties for the relevant Series) over the Mortgaged Property (unless the Notes are otherwise limited in recourse to specified assets). The Collateral and any related cash in respect of such security arrangements will be held on a pooled basis in respect of the Series and not allocated to specified accounts.

**(d) No fiduciary role**

None of the Issuer, the Arranger, the Dealer or any of the other Transaction Parties or any of their respective affiliates is acting as an investment adviser or as adviser in any other capacity, and none of them (other than the Trustee under the Trust Deed) assumes any fiduciary obligation to any purchaser of Notes or any other party, including the Issuer.

None of the Issuer, the Arranger, the Dealer or any of the other Transaction 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 Collateral or the terms thereof or of any Swap Counterparty or the terms of the relevant Swap Agreement.

Investors may not rely on the views of the Issuer, the Arranger, the Dealer or any of the other Transaction Parties for any information in relation to any person.

**(e) No reliance**

A prospective purchaser may not rely on the Issuer, the Arranger, the Dealer or any of the other Transaction 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 any of the other matters referred to above.

**(f) No representations**

None of the Issuer, the Arranger, the Dealer or any of the other Transaction Parties makes any representation or warranty, express or implied, in respect of any:

(i) Collateral or in respect of any information contained in any documents prepared, provided or filed in respect of such Collateral with any exchange, governmental, supervisory or self-regulatory authority or any other person;

(ii) issuer or obligor of any Collateral or in respect of any information contained in any documents prepared, provided or filed by or on behalf of such issuer or obligor with any exchange, governmental, supervisory or self-regulatory authority or any other person;

(iii) Swap Counterparty or in respect of any information contained in any documents prepared, provided or filed in respect of such party with any exchange, governmental, supervisory or self-regulatory authority or any other person; or

(iv) relevant Swap Agreement or in respect of any information contained in any documents prepared, provided or filed in respect of such agreement with any exchange, governmental, supervisory or self-regulatory authority or any other person; or

(v) Reference Entity or any Reference Obligation or the credit quality thereof, or any information contained in any documents provided by any Reference Entity or filed by a Reference Entity with any exchange, governmental, supervisory or self-regulatory authority of any other person.

Neither the Arranger nor the Dealer makes any representation or warranty, express or implied, in respect of the Issuer or in respect of any information contained in any documents prepared, provided or filed by or on behalf of the Issuer.

**(g) Provision of Information**

Neither the Issuer nor the Dealer (i) has provided or will provide prospective purchasers of Notes with any information or advice with respect to the Original Collateral, the Original Collateral Obligor, the Custodian or the Swap Counterparty may have acquired, or during the term of the Notes may acquire, non-public information with respect to the Custodian, the Original Collateral and the Original Collateral Obligor which will not be disclosed to Noteholders. The timing and limited scope of the information provided to Noteholders regarding the Original Collateral, the Original Collateral Obligor and the occurrence of a Collateral Event, may affect the liquidity of the Notes and the ability of Noteholders to value the Notes accordingly. None of the Issuer, Dealer and Swap Counterparty is under any obligation to make such information, whether or not confidential, available to Noteholders.

For Credit Linked Notes, the Programme Parties, whether by virtue of the types of relationships described herein or otherwise, may possess information in relation to any Reference Entity, any Affiliate of a Reference Entity, any Reference Obligation or any guarantor that is or may be material in the context of Credit Linked Notes and that may or may not be publicly available or known to the Noteholders or any other person. The Credit Linked Notes will not create any obligation on the part of any of the Programme Parties to disclose any such relationship or information (whether or not confidential).

**(h) No Investigations**

No investigations, searches or other enquiries have been made by or on behalf of the Issuer or the Trustee in respect of the Collateral or the issuers and obligors of the Collateral or any Reference Entity. No representations or warranties, express or implied, have been given by the Issuer, Arranger, the Dealer, the Trustee or any other person on their behalf in respect of the Collateral or the issuers and obligors of the Collateral or any Reference Entity. Any publicly available information in respect of the Collateral or the issuers and obligors of the Collateral or any Reference Entity has been accurately reproduced and no facts have been omitted that would render such reproduced information inaccurate or misleading.

**(i) Not a Bank Deposit**

The Issuer is not regulated by the Central Bank by virtue of the issue of the Notes. Any investment in the Notes does not have the status of a bank deposit in Ireland and the Notes do not fall within the scope of the deposit protection scheme operated by the Central Bank.

# CONFLICTS OF INTEREST

## 1 General

For the purposes of this section, references to "Collateral" shall also include Original Collateral to the extent that such Original Collateral has been transferred to the Swap Counterparty under the Credit Support Annex.

Credit Suisse International and/or any of its affiliates ("**CS**") may act in a number of capacities in connection with any issue of Notes. CS shall have only the duties and responsibilities expressly agreed to by the relevant entity in the relevant capacity and shall not, by virtue of its or any affiliate acting in any other capacity, be deemed to have other duties or responsibilities or be deemed to hold a standard of care other than as may be expressly provided with respect to the relevant capacity. CS may enter into business dealings relating to the Notes or the Collateral or any asset to which the Notes or Collateral are exposed, including the acquisition of the Notes, from which the relevant entity may derive revenues and profits in addition to any fees stated in the various documents, without any duty to account therefor. CS has policies and procedures in place to identify and manage conflicts of interest that may arise in relation to such activities.

CS may from time to time be in possession of certain information (confidential or otherwise) and/or opinions with regard to the issuer or obligor of any Collateral which information and/or opinions might, if known by a Noteholder, affect decisions made by it with respect to its investment in the Notes. Notwithstanding this, CS shall not have any duty or obligation to notify the Noteholders or the Issuer or any other Transaction Parties (including any directors, officers or employees thereof) of such information and/or opinions.

CS may deal in any obligation of the issuer or obligor of any Collateral and may accept deposits from, make loans or otherwise extend credit to, and generally engage in any kind of commercial or investment banking or other business transactions with, the issuer or obligor of any Collateral and may act with respect to such transactions in the same manner as if the relevant Swap Agreement and the Notes of the relevant Series did not exist and without regard to whether any such action might have an adverse effect on the issuer or obligor of any Collateral, the Issuer, the Swap Counterparty or the holders of the Notes of the relevant Series.

CS may at any time be active and significant participants in or act as market maker in relation to a wide range of markets for currencies, instruments relating to currencies, securities and derivatives. Activities undertaken by CS may be on such a scale as to affect, temporarily or on a long-term basis, the price of such currencies, instruments relating to currencies, securities and derivatives or securities and derivatives based on, or relating to, the Notes or any Collateral. Notwithstanding this, CS shall not have any duty or obligation to take into account the interests of any party in relation to any Notes when effecting transactions in such markets.

In addition, other potential conflicts of interest may arise where the Notes are offered to the public, as any distributor (which can be CS or any Transaction Party) will act pursuant to a mandate granted by the Issuer and will receive commissions and/or fees on the basis of the services performed and the outcome of the placement of the Notes to the public.

One or more of CS or any Transaction Party may:

(a) have placed or underwritten, or acted as a financial arranger, structuring agent or adviser in connection with the original issuance of, or may act as a broker or dealer with respect to, the Collateral;

(b) act as trustee, paying agent and in other capacities in connection with certain of the Collateral or other classes of securities issued by the issuer of, or obligor with respect to, the Collateral or an affiliate thereof;

(c) be a counterparty to issuers of, or obligors with respect to, certain of the Collateral under a swap or other derivative agreements;

(d) lend to certain of the issuers of, or obligors with respect to, the Collateral or their respective affiliates or receive guarantees from such issuers, obligors or their respective affiliates;

(e) provide other investment banking, asset management, commercial banking, financing or financial advisory services to the issuers of, or obligors with respect to, the Collateral or their respective affiliates; or

(f) have an equity interest, which may be a substantial equity interest, in certain issuers of, or obligors with respect to, the Collateral or their respective affiliates.

The Arranger and Dealer may have acquired, or during the terms of the Notes may acquire, confidential information or enter into transactions with respect to any Collateral and they shall not be under any duty to disclose such confidential information to any Noteholder, the Issuer, the Trustee or any of the other Transaction Parties.

When acting as a trustee, paying agent or in other service capacities with respect to the Collateral, the Transaction Parties may be entitled to fees and expenses senior in priority to payments and/or deliveries on such Collateral. When acting as a trustee for other classes of securities issued by the issuer of any Collateral or an affiliate thereof, a Transaction Party will owe fiduciary duties to the holders of such other classes of securities, which classes of securities may have differing interests from the holders of the class of securities of which the relevant Collateral is a part, and may take actions that are adverse to the holders (including, where applicable, the Issuer) of the class of securities of which the relevant Collateral is a part. As a counterparty under swaps and other derivative agreements, a Transaction Party may take actions adverse to the interests of the Issuer, including, but not limited to, demanding collateralisation of its exposure under such agreements (if provided for thereunder) or terminating such swaps or agreements in accordance with the terms thereof. In making and administering loans and other obligations, a Transaction Party may take actions including, but not limited to, restructuring a loan, foreclosing on or exercising other remedies with respect to a loan, requiring additional collateral or other credit enhancement, charging significant fees and interest, placing the issuers of, or obligors with respect to, any Collateral in bankruptcy or demanding payment on a loan guarantee or under other credit enhancement. The Issuer's acquisition, holding and sale of the Collateral may enhance the profitability or value of investments made by a Transaction Party in the issuers thereof or obligors in respect thereof. As a result of all such transactions or arrangements between a Transaction Party and issuers of, and obligors with respect to, the Collateral or their respective affiliates, a Transaction Party may have interests that are contrary to the interests of the Issuer and the Noteholders.

**2 The Trustee**

In connection with the exercise of its functions, the Trustee shall have regard to the interests of the Noteholders as a class and shall not have regard to the consequences of such exercise for individual Noteholders 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. In acting as Trustee under the Trust Deed, the Trustee shall not, in respect of Notes of any Series or Class thereof, assume any duty or responsibility to any of

the Swap Counterparty, the Custodian, the Issuing and Paying Agent or any other Secured Creditor or any other Transaction Party (other than to pay any such party any moneys received and payable to it and to act in accordance with the Conditions and the Trust Deed and other than in respect of any obligations it may have to Secured Creditors in respect of any enforcement of the Security) and shall have regard solely to the interests of the Noteholders and (save where expressly provided otherwise in the Transaction Documents to which the Trustee is a party) shall not be obliged to act on any directions of any Secured Creditor or Transaction Party if this would in the Trustee's opinion be contrary to the interests of the Noteholders. The Trustee has broad discretion as to how it performs its role under the Notes and is empowered to exercise discretions without the consent of the Noteholders.

The Trustee benefits from an indemnity under clause 9.18 (*Indemnity*) of the Trust Deed which is limited to liabilities and expenses properly incurred and all actions, proceedings, fees, costs, claims and demands in respect of any acts or omissions relating to the Mortgaged Property and, subject to the detailed provisions of clause 10.1 (*Trustee Act 2000*) of the Trust Deed, does not extend to negligence, fraud, breach of trust or wilful default.

**3 The Swap Counterparty**

Prospective investors should be aware that, where the Swap Counterparty is entitled to exercise its discretion rights in such capacity under the Swap Agreement (including any right to terminate the Swap Agreement), in respect of the terms and conditions or otherwise in respect of the Notes, then unless specified to the contrary therein, the Swap Counterparty will be under no obligation to, and will not assume any fiduciary duty or responsibility for, the Noteholders or any other person. Prospective investors should expect and understand that the Swap Counterparty may attempt to maximise the beneficial outcome for itself (that is maximise any payments due to it and minimise any payments due from it) and will not be liable to account to the Noteholders or any other person for any profit or other benefit to it or any of its respective affiliates that may result directly or indirectly from any such selection.

## DOCUMENTS INCORPORATED BY REFERENCE

This Base Prospectus should be read and construed in accordance with:

1. the audited financial statements of the Issuer for the financial year ended 31 December 2017 (the "**2017 Accounts**"); and

2. the audited financial statements of the Issuer for the financial year ended 31 December 2018 (the "**2018 Accounts**"),

each of which shall be deemed to be incorporated in and form part of this Base Prospectus. The 2017 Accounts and 2018 Accounts have been filed with Euronext Dublin and can be found at https://argentumsecuritiesireland.ie/docs/financial-statements/20200227-argentum-fs-ye-2017-searchable_p99894.pdf and https://argentumsecuritiesireland.ie/docs/financial-statements/20200227-argentum-fs-ye-2018-searchable_p84755.pdf respectively.

There has been no material adverse change in the financial position or prospects of the Issuer since 31 December 2018, being the date of the Issuer's last audited financial statements.

# MASTER CONDITIONS

*The following is the text of the Master Conditions applicable to the Notes issued under the Programme. Such Master Conditions, as modified and supplemented by any Additional Conditions set out in any Product Supplement that is specified as being applicable in the applicable Final Terms or Alternative Drawdown Document and further subject to completion in accordance with the provisions of Part A of the applicable Final Terms, or to completion, amendment and/or variation in accordance with the relevant section of an Alternative Drawdown Document, as the case may be, shall be applicable to the Notes. Either (i) the full text of these Master Conditions together with the relevant Additional Conditions and the relevant provisions of Part A of the applicable Final Terms or the relevant section of an Alternative Drawdown Document, as the case may be, or (ii) these Master Conditions as so completed, amended, supplemented or varied (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on any Bearer Note or on any Certificate relating to a Registered Note. In respect of the Notes, "**Issue Terms**" means the applicable "Final Terms" for the purposes of Article 8 of the Prospectus Regulation completed by the Issuer which specifies the issue details of the Notes or, in all other cases (and which shall be the case for Credit Linked Notes and Collateral Basket Notes), the applicable terms and conditions set out in the "Alternative Drawdown Document" which may include a pricing supplement or a prospectus relating to the Notes incorporating by reference the whole or any part of these Master Conditions and any Additional Conditions. All capitalised terms that are not defined in the Conditions will have the meanings given to them in the Trust Deed. Those definitions will be endorsed on the definitive Notes or Certificates, as the case may be. References in the Conditions to Notes are to the Notes of one Series only, not to all Notes that may be issued under the Programme.*

The Notes are constituted and secured by the Trust Deed entered into between the Issuer and the Trustee. These Master Conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the form of the Bearer Notes, Certificates, Receipts, Coupons and Talons referred to below.

An Agency Agreement has been entered into in relation to the Notes between the Issuer, the Trustee, Citibank, N.A., London Branch as initial issuing and paying agent, transfer agent and custodian, Citigroup Global Markets Europe AG as registrar and the other agents named in it.

The issuing and paying agent, the calculation agent, the custodian and account bank, the disposal agent, the registrar and the paying agents and transfer agents for the time being (if any) are referred to below respectively as the "**Issuing and Paying Agent**", the "**Calculation Agent**", the "**Custodian**", the "**Disposal Agent**", the "**Registrar**", the "**Paying Agents**" (which expression shall include the Issuing and Paying Agent) and the "**Transfer Agents**" (which expression shall include the Registrar) and collectively as the "**Agents**".

Copies of the Programme Deed, the execution of which most recently amended and restated the Principal Trust Deed and the Agency Agreement, together with any amendments and/or supplements to such Programme Deed that are relevant to the Notes and the applicable versions of the master terms documents incorporated into the Programme Deed, are available for inspection, so long as any of the Notes remain outstanding, during usual business hours at the registered office of the Issuer and the principal office of the Trustee and at the Specified Offices of the Paying Agents and the Transfer Agents.

The Noteholders, the holders of the interest coupons (the "**Coupons**") relating to interest bearing Notes in bearer form and, where applicable in the case of such Notes, talons for further Coupons (the "**Talons**") (the "**Couponholders**") and the holders of the receipts for the payment of instalments of principal (the "**Receipts**") relating to Notes in bearer form of which the principal is payable in instalments are entitled to the benefit of, are bound by and are deemed to have notice of all the provisions of the Trust Deed and are deemed to have notice of those provisions applicable to them of the Agency Agreement and any other Transaction Document entered into in connection with the Notes.

As used in the Conditions, "**Tranche**" means Notes of a Series or, where a Series comprises Classes, a Class, that are issued on the same date and that are identical in all respects.

## 1 Definitions and Interpretation

### (a) Definitions

All capitalised terms that are not defined in the Conditions will have the meanings given to them in the Trust Deed, the absence of any such meaning indicating that such term is not applicable to the Notes. In the event of any inconsistency between the terms of the Issue Deed relating to the Notes and the terms of the Principal Trust Deed, the terms of the Issue Deed shall prevail. In the event of any inconsistency between the terms of the Principal Trust Deed, the terms of the relevant Issue Deed and the terms of the applicable Issue Terms, the terms of the applicable Issue Terms shall prevail. In the event of any inconsistency between these Master Conditions and the terms of the applicable Issue Terms, the terms of the applicable Issue Terms shall prevail. In addition, the following expressions have the following meanings:

"**Actual Currency Proceeds**" means the Available Proceeds as of the Early Valuation Date but excluding any amount paid by the Swap Counterparty to the Issuer as a result of the termination of all outstanding Swap Transactions under the Swap Agreement relating to the Notes provided that if any Collateral has not been Liquidated by the Early Valuation Date then the Actual Currency Proceeds in respect of such Collateral not then Liquidated shall be deemed to be the fair bid-side market value of such Collateral as of the Early Valuation Date (as determined by the Calculation Agent) net of any taxes, costs or charges that would be incurred on the sale of the Collateral.

"**Additional Conditions**" means any of the Additional Pass-Through Conditions, the Additional CLN Conditions or the Additional Collateral Basket Conditions which have, in each case, the meaning given to it in them applicable Product Supplement.

"**Additional Redemption Event**" means the determination by the Calculation Agent on any day of the occurrence of any of the Additional Redemption Events specified as applicable in the applicable Issue Terms.

"**Additional Specified Date**" has the meaning given to it in the definition of "Reference Rate Event" in this Master Condition 1(a).

"**Adjustment Date**" means, in respect of a Reference Rate Event, the later of:

(i) the first date on which the Calculation Agent identifies a Replacement Reference Rate and determined an Adjustment Spread, as applicable; and

(ii) the first to occur of: (A) the first date on which the Reference Rate is no longer available following a Reference Rate Cessation, (B) the Administrator/Benchmark Event Date, (C)

the Specified Date, or (D) the Additional Specified Date, as relevant in relation to such Reference Rate Event.

"**Adjustment Spread**" means, in respect of any Replacement Reference Rate, the adjustment, if any, to such Replacement Reference Rate that the Calculation Agent determines, acting in good faith and in a commercially reasonable manner and having regard to any Industry Standard Adjustment, which is required in order to:

(i) reduce or eliminate, to the extent reasonably practicable, any transfer of economic value from the Issuer to the Noteholders (or vice versa) that would otherwise arise as a result of the replacement of the Reference Rate with the Replacement Reference Rate; and

(ii) reflect any losses, expenses and costs that will be incurred by the Swap Counterparty as a result of entering into and/or maintaining any transactions in place to hedge the Swap Counterparty's obligations under the Swap Transaction, including as a result of any difference between:

(A) the resulting cash flows under the Original Collateral and such hedge transactions; and

(B) the resulting cash flows under the Notes and such hedge transactions,

in each case pursuant to the application of any fallback following the occurrence of a disruption event in respect of a benchmark

Any such adjustment may take account of, without limitation, any anticipated transfer of economic value as a result of any difference in the term structure or tenor of the Replacement Reference Rate by comparison to the Reference Rate. The Adjustment Spread may be positive, negative or zero, or determined pursuant to a formula or methodology. If the Calculation Agent is required to determine the Adjustment Spread, it shall consider the Relevant Market Data. If a spread or methodology for calculating a spread has been formally recommended by any Relevant Nominating Body in relation to the replacement of the Reference Rate with the relevant Replacement Reference Rate, then the Adjustment Spread shall be determined on the basis of such recommendation (adjusted as necessary to reflect the fact that the spread or methodology is used in the context of the Notes).

"**Administrator/Benchmark Event**" means the occurrence of a Non-Approval Event, a Rejection Event or a Suspension/Withdrawal Event, in each case being treated as having occurred on the Administrator/Benchmark Event Date.

"**Administrator/Benchmark Event Date**" means, in respect of a Reference Rate, the date determined by the Calculation Agent to be:

(i) in respect of a Non-Approval Event, the date on which the relevant authorisation, registration, recognition, endorsement, equivalence decision, approval, inclusion in any official register or similar regulatory or legal requirement is required under any applicable law or regulation for the continued provision and use of such Reference Rate in respect of the Notes or, if such date occurs before the Issue Date, the Issue Date;

(ii) in respect of a Rejection Event, the date on which following the rejection or refusal of the relevant application for authorisation, registration, recognition, endorsement, an equivalence decision, approval or inclusion in any official register, the Issuer or the Calculation Agent is not permitted to perform its or their respective obligations under the

Notes under any applicable law or regulation or, if such date occurs before the Issue Date, the Issue Date; and

(iii) in respect of a Suspension/Withdrawal Event, the date on which following (A) the suspension or withdrawal by the relevant competent authority or other relevant official body of the authorisation, registration, recognition, endorsement, equivalence decision or approval, or (B) the date on which such Reference Rate or the administrator or sponsor of such Reference Rate is removed from the official register, as applicable, the Issuer or the Calculation Agent is not permitted to perform its or their respective obligations under the Notes under any applicable law or regulation or, in each case, if such date occurs before the Issue Date, the Issue Date.

"**Affected Class Cash Redemption Portion**" means, in respect of an Early Redeeming Class of Notes, a cash amount determined by the Calculation Agent to be an amount equal to (i) the Affected Class Collateral Proceeds in respect of the Early Redeeming Class of Notes minus (ii) the Affected Class Collateral Proceeds in respect of the Early Redeeming Class of Notes multiplied by the fraction obtained by dividing (x) the Affected Collateral Rounding Component in respect of the Early Redeeming Class of Notes by (y) the aggregate nominal amount of the Affected Class Collateral relating to the Early Redeeming Class of Notes.

"**Affected Class Collateral**" means, in respect of an Early Redeeming Class of Notes, the Class Collateral relating to such Early Redeeming Class of Notes excluding, for the avoidance of doubt, where either the Issuer or the Swap Counterparty has a Credit Support Balance under the Credit Support Annex, any Eligible Credit Support and amounts derived therefrom making up such Credit Support Balance.

"**Affected Class Collateral Proceeds**" means, in respect of an Early Redeeming Class of Notes, all cash sums in the Base Currency from the Liquidation of the Affected Class Collateral, provided that if any Affected Class Collateral has not been Liquidated by the Early Valuation Date, the Affected Class Collateral Proceeds in respect of such Affected Class Collateral not then Liquidated shall be deemed to be the fair bid-side value of such Affected Class Collateral as of the Early Valuation Date (as determined by the Calculation Agent) net of any taxes, costs or charges that would be incurred on the sale of the Affected Class Collateral.

"**Affected Class Terminated Transaction**" means, in respect of an Early Redeeming Class of Notes and a Swap Agreement, the Swap Transaction relating to such Early Redeeming Class of Notes entered into under such Swap Agreement.

"**Affected Class Termination Payment**" means, in respect of an Early Redeeming Class of Notes, any Termination Payment in the Base Currency in respect of the Swap Agreement and the relevant Affected Class Terminated Transaction, together, if applicable, with any interest payable thereon, provided that the Swap Counterparty's claim to any Affected Class Termination Payment payable by the Issuer shall be limited to the prevailing value of the Affected Class Collateral at the time.

"**Affected Collateral Rounding Component**" has the meaning given to it in Master Condition 13(b) (*Liquidation process*).

"**Affiliate**" means, in relation to any person, any entity controlled, directly or indirectly, by that person, any entity that controls, directly or indirectly, that person or any entity, directly or indirectly, under common control with that person. For this purpose "**control**" means ownership of a majority of the voting power of the entity or person.

"**Agency Agreement**" means the agency agreement entered into by the Issuer, Citibank, N.A., London Branch as Issuing and Paying Agent and Custodian, Citigroup Global Markets Europe AG as Registrar, Transfer Agent and the other agents named therein by execution of the Programme Deed.

"**Agents**" has the meaning given to it in the recitals to these Master Conditions.

"**Aggregated Note Entitlements**" has the meaning given to such term in Master Condition 8(r) (*Physical Redemption Amounts*).

"**Alternative Drawdown Document**" means, where the Notes are not issued by way of Final Terms pursuant to the Prospectus Regulation, the document relating to the Notes that describes the Issue Terms.

"**Alternative Industry Standard Reference Rate**", for a Series and a Reference Rate, has the meaning given to it in the definition of "Replacement Reference Rate" in this Master Condition 1(a).

"**Alternative Post-nominated Reference Rate**" means, in respect of a Series and a Reference Rate, any index, benchmark or other price source which is formally designated, nominated or recommended by:

(i) any Relevant Nominating Body; or

(ii) the administrator or sponsor of the Reference Rate, provided that such index, benchmark or other price source is substantially the same as the Reference Rate,

in each case, to replace such Reference Rate. If a replacement index, benchmark or other price source is designated, nominated or recommended under both paragraphs (i) and (ii) above, then the replacement index, benchmark or other price source designated, nominated or recommended under paragraph (i) shall be the Alternative Post-nominated Reference Rate.

"**Alternative Pre-nominated Reference Rate**" means, in respect of a Series and a Reference Rate, the first of the indices, benchmarks or other price sources specified as such in the relevant Issue Terms and not subject to a Reference Rate Event.

"**Authority**" means any competent regulatory, prosecuting, Tax or governmental authority in any jurisdiction.

"**Available Deliverable Collateral**" has the meaning given to such term in Master Condition 8(r) (*Physical Redemption Amounts*).

"**Available Proceeds**" means, with respect to a Liquidation Event or Enforcement Event, as of a particular day:

(i) all cash sums derived from any Liquidation of Collateral for the Notes, any amount paid by the Swap Counterparty to the Issuer as a result of the termination of all outstanding Swap Transactions under the Swap Agreement relating to the Notes, any amounts realised by the Trustee on enforcement of the Security and all other cash sums available to the Issuer or the Trustee, as the case may be, derived from the Mortgaged Property for such Series; less

(ii) any cash sums which have already been applied by the Issuer pursuant to Master Condition 15(a) (*Application of Available Proceeds or Affected Class Collateral Proceeds of Liquidation*) on any Issuer Application Date or by the Trustee pursuant to Master

Condition 15(b) (*Application of Available Proceeds of enforcement of Security*) on any Trustee Application Date, as the case may be.

For the avoidance of doubt, where a Physical Redemption Amount is payable by the Issuer in respect of any Notes, the Collateral comprised in such Physical Redemption Amount shall not, in any way, constitute Available Proceeds.

"**Bank**" has the meaning given to it in Master Condition 10(a) (*Bearer Notes*).

"**Bankruptcy Credit Event**" means the occurrence of a Credit Event as a result of Bankruptcy, and with each of "Credit Event" and "Bankruptcy" having the meaning given to them in the ISDA Credit Derivatives Definitions.

"**Bankruptcy Event**" means, with respect to a party, (i) such party (a) is dissolved (other than pursuant to a consolidation, amalgamation or merger); (b) becomes insolvent or is unable to pay its debts or fails or admits in writing in a judicial, regulatory or administrative proceeding or filing its inability generally to pay its debts as they become due; (c) makes a general assignment, arrangement, scheme or composition with or for the benefit of its creditors generally, or such a general assignment, arrangement, scheme or composition becomes effective; (d) institutes or has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other similar relief under any bankruptcy or insolvency law or other law affecting creditors' rights, or a petition is presented for its winding up or liquidation, and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition either 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 is not dismissed, discharged, stayed or restrained in each case within 30 days of the institution or presentation thereof; (e) has a resolution passed for its winding up or liquidation (other than pursuant to a consolidation, amalgamation or merger); (f) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets; (g) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within 30 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 paragraphs (i)(a) to (g), (ii) a Credit Derivatives Determinations Committee has Resolved that a Bankruptcy Credit Event has occurred in respect of such party, or any analogous determination has been made by a committee or person under any definitions that replace the ISDA Credit Derivatives Definitions as the market standard terms for credit derivatives or under any amendment or supplement to the ISDA Credit Derivatives Definitions and/or (iii) such party is an Affiliate of another party and a Bankruptcy Event has occurred with respect to such other party (provided that, for the purposes of determining whether a Bankruptcy Event has occurred with respect to such other party, sub-paragraph (iii) of this definition shall be disregarded).

"**Base Currency**" means (i) for a Series of Notes comprising Classes denominated in more than one currency, the currency specified as such in the applicable Issue Terms and (ii) otherwise, the Specified Currency.

"**Bearer Notes**" has the meaning given to it in Master Condition 2 (*Form, Specified Denomination and Title*).

"**Board**" means the board of directors of the Issuer.

"**Broken Amount**" shall have the meaning given to it in the applicable Issue Terms.

"**Business Centre**" means any business centre specified as such in the applicable Issue Terms.

"**Business Day**" means:

(i) in the case of a currency other than euro, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for such currency;

(ii) in the case of euro, a day on which the TARGET System is open for the settlement of payments in euro (a "**TARGET Business Day**");

(iii) in the case of a currency and/or one or more Business Centres, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in such Business Centres or, if no currency is indicated, generally in each of such Business Centres; and/or

(iv) any other day specified as such in the applicable Issue Terms.

"**Calculation Agent**" has the meaning given to it in the recitals to these Master Conditions.

"**Calculation Agent Bankruptcy Event**" means (i) the Calculation Agent (a) is dissolved (other than pursuant to a consolidation, amalgamation or merger); (b) becomes insolvent or is unable to pay its debts or fails or admits in writing in a judicial, regulatory or administrative proceeding or filing its inability generally to pay its debts as they become due; (c) makes a general assignment, arrangement, scheme or composition with or for the benefit of its creditors generally, or such a general assignment, arrangement, scheme or composition becomes effective; (d) institutes or has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other similar relief under any bankruptcy or insolvency law or other law affecting creditors' rights, or a petition is presented for its winding up or liquidation, and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition either 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 is not dismissed, discharged, stayed or restrained in each case within 30 days of the institution or presentation thereof; (e) has a resolution passed for its winding up or liquidation (other than pursuant to a consolidation, amalgamation or merger); (f) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets; (g) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within 30 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 paragraphs (i)(a) to (g), (ii) a Credit Derivatives Determinations Committee has Resolved that a Bankruptcy Credit Event has occurred in respect of the Calculation Agent, or any analogous determination has been made by a committee or person under any definitions that replace the ISDA Credit Derivatives Definitions as the market standard terms for credit derivatives or under any amendment or supplement to the ISDA Credit Derivatives Definitions and/or (iii) the Calculation Agent is an Affiliate of the Swap Counterparty

and a Counterparty Bankruptcy Credit Event has occurred with respect to such Swap Counterparty.

"**Calculation Agent Business Day**" means a business day in the jurisdiction of the Calculation Agent.

"**Calculation Amount**" means, in respect of a Note and an Interest Accrual Period, the amount specified in the applicable Issue Terms.

"**Calculation Amount Factor**" means, in respect of a Note, the number equal to the Specified Denomination of such Note divided by the Calculation Amount.

"**Calculation Period**" has the meaning given to it in the definition of "Day Count Fraction" in Master Condition 1(a).

"**Cash Redemption Portion**" means a cash amount equal to (i) the Non-Physically Deliverable Collateral Proceeds minus (ii) the Physical Top-Up Portions (if any).

"**Certificates**" has the meaning given to it in Master Condition 2 (*Form, Specified Denomination and Title*).

"**Class Collateral**" has, where the applicable Issue Terms specify that Classes are applicable in respect of a Series, the meaning given to it in such Issue Terms.

"**Classes**" means, where the applicable Issue Terms specify that Classes are applicable in respect of a Series, such classes as are specified in such Issue Terms and "**Class**" shall be construed accordingly.

"**Clearing System Business Day**" has the meaning given to it in Master Condition 10(b)(iii) (*Registered Notes*).

"**Code**" means the U.S. Internal Revenue Code of 1986, as amended from time to time.

"**Collateral**" means, in connection with the issue of the Notes, the Issuer's rights, title and/or interests in and to:

(i) the Original Collateral (other than any Original Collateral that the Issuer may have sold, posted or otherwise disposed of under the terms of the Credit Support Annex); and

(ii) from time to time, any CSA Posted Collateral held by the Issuer; and

(iii) any other securities, cash or other assets or property transferred or delivered to the Issuer pursuant to the Credit Support Annex.

The term "**Collateral**" shall include the rights, title and/or interests in and to (w) any net proceeds of Liquidation remaining following the Liquidation of Collateral in respect of the redemption of some, but not all, of the Notes then outstanding which were not then payable to Noteholders, (x) any further Collateral acquired by the Issuer in connection with any further issue of notes that are to be consolidated and form a single series with the Notes or a class thereof, (y) any Collateral acquired by the Issuer by way of substitution or replacement of any Collateral previously held by it and (z) any asset or property (which may, for the avoidance of doubt, include the benefit of contractual rights) into which any of the Collateral is converted or exchanged or that is issued to the Issuer (or any relevant person holding such Collateral for or on behalf of the Issuer) by virtue of its holding thereof.

"**Collateral Basket Notes**" has the meaning given to it in the Collateral Basket Product Supplement.

"**Collateral Event**" means the occurrence of any of the following events which are specified to be applicable in the Issue Terms:

(i) Original Collateral Call;

(ii) Original Collateral Default;

(iii) Original Collateral Non-Call Event;

(iv) Original Collateral Payment Failure;

(v) Original Collateral Conversion; or

(vi) Currency Redenomination Event.

"**Collateral Obligor**" means any person that has an obligation or duty to the Issuer (or any relevant person holding such Collateral for or on behalf of the Issuer) in respect of the Collateral pursuant to the terms of such Collateral.

"**Component Collateral**" has the meaning given to such term in the definition of Non-Physically Deliverable Collateral Component.

"**Conditions**" means, in respect of the Notes, the Master Conditions as modified and supplemented by any Additional Conditions set out in any Product Supplement that is specified as being applicable in the applicable Issue Terms and further subject to completion and amendment, and as supplemented and/or varied by the provisions of the applicable Issue Terms, provided that where such Notes are issued by way of Final Terms pursuant to the Prospectus Regulation, the Conditions may not be amended, supplemented or varied by the provisions of the Final Terms. References to a particularly numbered Master Condition shall be construed as a reference to the Master Condition so numbered in the Master Conditions.

*To the extent that the Notes are represented by a Global Note or Global Certificate, as the case may be, the Conditions shall be as defined above but as completed, amended, supplemented and/or varied by the terms of the Global Note or Global Certificate, as the case may be. See the section of this Base Prospectus entitled "Summary of Provisions Relating to the Notes while in Global Form" on page 250 for a description thereof.*

"**Corporate Services Agreement**" means the management agreement dated 6 March 2014 and entered into between Deutsche International Corporate Services (Ireland) Limited and the Issuer as subsequently novated pursuant to a deed of novation dated 15 July 2018 and entered into between Deutsche International Corporate Services (Ireland) Limited, Vistra Alternative Investments (Ireland) Limited and the Issuer.

"**Corporate Services Provider**" means Vistra Alternative Investments (Ireland) Limited, a private limited company with limited liability having its registered office at Block A, George's Quay Plaza, George's Quay, Dublin 2, Ireland.

"**Corporate Services Provider Fees**" means any fees charged by, or any other amounts owed to, the Corporate Services Provider for the performance of its duties pursuant to the Corporate Services Agreement.

"**Counterparty Bankruptcy Credit Event**" means (i) the Swap Counterparty (a) is dissolved (other than pursuant to a consolidation, amalgamation or merger); (b) becomes insolvent or is unable to pay its debts or fails or admits in writing in a judicial, regulatory or administrative proceeding or filing its inability generally to pay its debts as they become due; (c) makes a general assignment, arrangement, scheme or composition with or for the benefit of its creditors generally, or such a general assignment, arrangement, scheme or composition becomes effective; (d) institutes or has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other similar relief under any bankruptcy or insolvency law or other law affecting creditors' rights, or a petition is presented for its winding up or liquidation, and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition either 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 is not dismissed, discharged, stayed or restrained in each case within 30 days of the institution or presentation thereof; (e) has a resolution passed for its winding up or liquidation (other than pursuant to a consolidation, amalgamation or merger); (f) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets; (g) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within 30 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 paragraphs (i)(a) to (g), and/or (ii) a Credit Derivatives Determinations Committee has Resolved that a Bankruptcy Credit Event has occurred in respect of the Swap Counterparty, or any analogous determination has been made by a committee or person under any definitions that replace the ISDA Credit Derivatives Definitions as the market standard terms for credit derivatives or under any amendment or supplement of the ISDA Credit Derivatives Definitions.

"**Couponholders**" has the meaning given to it in the recitals to these Master Conditions.

"**Coupons**" has the meaning given to it in the recitals to these Master Conditions.

"**CRA Regulation**" means Regulation (EC) 1060/2009 on credit rating agencies.

"**Credit Derivatives Determinations Committee**" has the meaning given to it in the ISDA Credit Derivatives Definitions.

"**Credit Linked Notes**" has the meaning given to it in the CLN Conditions Product Supplement.

"**Credit Support Annex**" has the meaning given to it in the definition of "Master Agreement" in this Master Condition 1(a).

"**CSA Posted Collateral**" means any securities, cash or other assets or property transferred by the Swap Counterparty to the Issuer pursuant to the Credit Support Annex that are Eligible Credit Support comprising the Credit Support Balance of the Swap Counterparty (as such terms are defined in the Swap Agreement).

"**Currency Redenomination Event**" means, in respect of any Original Collateral, that the currency in which the relevant Original Collateral Obligor pays (or is required under any applicable law to pay) interest or principal is redenominated, substituted or otherwise changed

from the currency in which any such payment of interest or principal was, at the date the relevant Original Collateral became Collateral for the purposes of the Notes, due to be made.

"**Custodian**" has the meaning given to it in the recitals to these Master Conditions.

"**Cut-off Date**" means, in respect of a Series and a Reference Rate, the earliest to occur of:

(i) the Specified Date; or

(ii) the date that falls the number of Reference Business Days specified in the relevant Issue Terms, or, if not so specified, the 60th Reference Business Day following the occurrence of the Administrator/Benchmark Event or following the first date on which the Reference Rate is no longer available following a Reference Rate Cessation,

as relevant in respect of the Reference Rate Event.

"**Day Count Fraction**" means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last day of such period) (whether or not constituting an Interest Period or an Interest Accrual Period, the "**Calculation Period**"):

(i) if "**Actual/Actual**" or "**Actual/Actual-ISDA**" is specified in the applicable Issue Terms, 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/365 (Fixed)**" is specified in the applicable Issue Terms, the actual number of days in the Calculation Period divided by 365;

(iii) if "**Actual/360**" is specified in the applicable Issue Terms, the actual number of days in the Calculation Period divided by 360;

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

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

where:

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

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

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

where:

"**Y1**" is the year, expressed as a number, in which the first day of the 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 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 day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D2 will be 30;

(vi) if "**30E/360 (ISDA)**" is specified in the applicable Issue Terms, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

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

where:

"**Y1**" is the year, expressed as a number, in which the first day of the 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 day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D1 will be 30; and

"**D2**" is the day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D2 will be 30; and

(vii) if "**Actual/Actual-ICMA**" is specified in the applicable Issue Terms:

(A) if the Calculation Period is equal to or shorter than the Determination 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 Determination Period and (y) the number of Determination Periods normally ending in any year; and

(B) if the Calculation Period is longer than one Determination Period, the sum of:

(I) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and

(II) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year.

"**Dealer Agreement**" means the dealer agreement entered into by the Issuer, the Arranger and the Dealer and any other parties thereto by execution of the Programme Deed.

"**Default Interest**" has the meaning given to it in Master Condition 7(e) (*Accrual of Interest*).

"**Delivery Instruction Certificate**" means, in respect of any delivery of Collateral to a Noteholder under the Conditions, a delivery instruction certificate substantially in the form set out in the Principal Trust Deed, validly completed and executed by the relevant Noteholder.

"**Determination Date**" means each date specified as such in the applicable Issue Terms or, if none is so specified, each Interest Payment Date.

"**Determination Period**" means the period from and including a Determination Date in any year to but excluding the next Determination Date.

"**Disposal Agent**" has the meaning given to it in the recitals to these Master Conditions.

"**Disposal Agent Bankruptcy Event**" means (i) the Disposal Agent (a) is dissolved (other than pursuant to a consolidation, amalgamation or merger); (b) becomes insolvent or is unable to pay its debts or fails or admits in writing in a judicial, regulatory or administrative proceeding or filing its inability generally to pay its debts as they become due; (c) makes a general assignment, arrangement, scheme or composition with or for the benefit of its creditors generally, or such a general assignment, arrangement, scheme or composition becomes effective; (d) institutes or has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other similar relief under any bankruptcy or insolvency law or other law affecting creditors' rights, or a petition is presented for its winding up or liquidation, and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition either 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 is not dismissed, discharged, stayed or restrained in each case within 30 days of the institution or presentation thereof; (e) has a resolution passed for its winding up or liquidation (other than pursuant to a

consolidation, amalgamation or merger); (f) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets; (g) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within 30 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 paragraphs (i)(a) to (g), (ii) a Credit Derivatives Determinations Committee has Resolved that a Bankruptcy Credit Event has occurred in respect of the Disposal Agent, or any analogous determination has been made by a committee or person under any definitions that replace the ISDA Credit Derivatives Definitions as the market standard terms for credit derivatives or under any amendment or supplement to the ISDA Credit Derivatives Definitions and/or (iii) the Disposal Agent is an Affiliate of the Swap Counterparty and a Counterparty Bankruptcy Credit Event has occurred.

"**Disposal Agent Fees**" has the meaning given to it in Master Condition 13(d) (*Costs and expenses*).

"**Early Cash Redemption Amount**" means, in respect of each Note (or, where applicable, each Early Redeeming Note) other than a Credit Linked Note or a Collateral Basket Note, outstanding on the relevant Early Redemption Date, the amount specified as such in the applicable Issue Terms (or the amount determined in accordance with the formula or method for determining such amount specified therein) or, if no such amount is specified in the applicable Issue Terms:

(i) where the Early Redemption Settlement Method specified in the applicable Issue Terms is "Cash Settlement" and the applicable Issue Terms do not specify that Classes apply, or where the Early Redemption Settlement Method specified in the applicable Issue Terms is "Noteholder Settlement Option" and all Noteholders have elected or have been deemed to have elected to receive the Early Cash Redemption Amount, an amount per Note determined by the Calculation Agent to be equal to that Note's *pro rata* share of (i) the Specified Currency Proceeds plus (ii) any Termination Payment in respect of the Swap Agreement that is payable to the Issuer (together, if applicable, with any interest payable thereon) minus (iii) any Termination Payment in respect of the Swap Agreement that is payable by the Issuer to the Swap Counterparty (together, if applicable, with any interest payable thereon);

(ii) where the Early Redemption Settlement Method specified in the applicable Final Terms is "Noteholder Settlement Option" and one or more of the Noteholders has not elected or has not been deemed to have elected to receive the Early Cash Redemption Amount, an amount determined by the Calculation Agent to be an amount per Note in respect of which an Early Cash Redemption Amount is payable (if any) equal to (i) that Note's *pro rata* share (amongst only those Notes in respect of which an Early Cash Redemption Amount is payable (if any)) of the Cash Redemption Portion and (ii) an amount of cash equal to such Note's *pro rata* share (amongst all Notes outstanding on the relevant Early Redemption Date) of:

(a) the Specified Currency Proceeds; less

(b) the Non-Physically Deliverable Collateral Proceeds; less

(c) the Excess Available Deliverable Collateral Proceeds; plus

(d) any Termination Payment in respect of the Swap Agreement that is payable to the Issuer (together, if applicable, with any interest payable thereon); minus

(e) any Termination Payment in respect of the Swap Agreement that is payable by the Issuer to the Swap Counterparty (together, if applicable, with any interest payable thereon); and

(iii) where the applicable Issue Terms specify that Classes apply, an amount determined by the Calculation Agent to be an amount per Early Redeeming Note equal to that Early Redeeming Note's pro rata share of (i) the Affected Class Cash Redemption Portion plus (ii) any Affected Class Termination Payment in respect of the Swap Agreement that is payable to the Issuer by the Swap Counterparty minus (iii) any Affected Class Termination Payment in respect of the Swap Agreement that is payable to the Swap Counterparty by the Issuer, provided that where all or part of such cash sums are not denominated in the Specified Currency, such amount (or each such part thereof, as the case may be) shall be converted into the Specified Currency at a rate determined by the Disposal Agent to be representative of the spot foreign exchange rates prevailing for sale of the relevant non-Specified Currency and purchase of the Specified Currency.

"**Early Redeeming Class of Notes**" means a Redeeming Class of Notes or a Triggered Class of Notes.

"**Early Redeeming Note**" means any Note forming part of an Early Redeeming Class of Notes.

"**Early Redemption Amount**" has the meaning given to it in Master Condition 8(o) (*Definition of Early Redemption Amount*).

"**Early Redemption Commencement Date**" has the meaning given to it in Master Condition 8 (*Redemption and Purchase*).

"**Early Redemption Date**" means:

(i) for all purposes other than where an Early Redemption Commencement Date occurs as a result of an Original Collateral Call pursuant to Master Condition 8(c) (*Redemption following a Collateral Event*), or as a result of Master Condition 8(n) (*Redemption of all Classes following an Enforcement Notice in respect of certain Class(es) of Notes only*), the tenth Reference Business Day following the relevant Early Redemption Commencement Date;

(ii) for the purposes of an Early Redemption Commencement Date occurring as a result of an Original Collateral Call pursuant to Master Condition 8(c) (*Redemption following a Collateral Event*), the day that falls 10 Reference Business Days after the later of the Original Collateral Early Payment Date and the relevant Early Redemption Commencement Date (provided that if all of the Collateral has been redeemed and/or Liquidated on or before the third Reference Business Day prior to such date, the Early Redemption Date shall be the third Reference Business Day after the later of (x) the Early Redemption Commencement Date and (y) the date on which all proceeds of such redemption and/or Liquidation of the Collateral have been received by or on behalf of the Issuer); and

(iii) for the purposes of an Early Redemption Commencement Date occurring pursuant to Master Condition 8(n) (*Redemption of all Classes following an Enforcement Notice in*

*respect of certain Class(es) of Notes only*), the fifth Reference Business Day following the relevant Early Redemption Commencement Date.

"**Early Redemption Notice**" means an irrevocable notice from the Issuer to Noteholders in accordance with Master Condition 22 (*Notices*) (or, in the case of Master Condition 8(l) (*Redemption following the occurrence of an Event of Default*), from the Trustee to the Issuer) that specifies that the Notes are to be redeemed pursuant to Master Condition 8 (*Redemption and Purchase*) or Master Condition 8(n) (*Redemption of all Classes following an Enforcement Notice in respect of certain Class(es) of Notes only*), as the case may be. An Early Redemption Notice given pursuant to Master Condition 8 (*Redemption and Purchase*) must contain a description in reasonable detail of the facts relevant to the determination that the Notes are to be redeemed, and, in the case of an Early Redemption Notice given by the Issuer, must specify the anticipated Early Redemption Date and which of Master Conditions 8(c) (*Redemption following a Collateral Event*) to 8(n) (*Redemption of all Classes following an Enforcement Notice in respect of certain Class(es) of Notes only*), as the case may be, are applicable. A copy of any Early Redemption Notice shall also be sent by the Issuer to all Transaction Parties, save that any failure to deliver a copy shall not invalidate the relevant Early Redemption Notice.

"**Early Redemption Notification Period**" means the period of five Reference Business Days, or such other period as is specified in the applicable Issue Terms.

"**Early Termination Date**" has the meaning given to it in the Swap Agreement.

"**Early Valuation Date**" means the fifth Reference Business Day prior to the Early Redemption Date.

"**EEA**" means the European Economic Area.

"**Enforcement Event**" means the occurrence of one or more of the following events:

(i) the Issuer fails to pay (a) the Final Redemption Amount in respect of any Series of Notes or Class thereof and/or (b) any interest or Instalment Amount in respect of any Series of Notes or Class thereof that has become due and payable on the Maturity Date, and, in each case, has not paid any such amount (together with any Default Interest accrued thereon) on or by the Relevant Payment Date;

(ii) following the occurrence of an Early Redemption Commencement Date, payment and/or delivery in respect of the Early Redemption Amount in respect of the Notes of any Series or Class thereof is not made on the Early Redemption Date (and, for the avoidance of doubt, such failure to pay in respect of any Class of Notes shall trigger an Enforcement Event in respect of each Class of Notes outstanding); or

(iii) following payment in full by the Issuer of any amount that has become due and payable and/or deliverable, as the case may be, to the Noteholders and the Couponholders (whether before or after the Maturity Date), the failure by the Issuer to pay any amount due and payable to the Swap Counterparty on the relevant due date for payment under the Swap Agreement.

"**Enforcement Notice**" has the meaning given to it in Master Condition 14(b) (*Enforcement Notice*).

"**Equivalent Obligations**" means any Obligations that are issued in fungible form and that share common terms and conditions.

"**EU Benchmark Regulation**" means Regulation (EU) 2016/1011 of the European Parliament and of 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.

"**EURIBOR**" means the relevant euro interbank offered rate.

"**Event of Default**" has the meaning given to it in Master Condition 8(l) (*Redemption following the occurrence of an Event of Default*).

"**Excess Available Deliverable Collateral**" means any Remaining Original Collateral left after all Note Entitlements and Aggregated Note Entitlements have been allocated out of the Available Deliverable Collateral.

"**Excess Available Deliverable Collateral Proceeds**" means all cash sums derived from the Liquidation of the Excess Available Deliverable Collateral, provided that where all or part of such cash sums are not denominated in the Specified Currency, such amount (or each such part thereof, as the case may be) shall be converted into the Specified Currency at a rate determined by the Disposal Agent to be representative of the spot foreign exchange rates prevailing for sale of the relevant non-Specified Currency and purchase of the Specified Currency.

"**Exercised Note**" means a Note in respect of which a Noteholder Settlement Option has been exercised or deemed exercised, as the case may be. An Exercised Note may not be withdrawn without the Issuer's consent.

"**Exercise Notice**" means an exercise notice in or substantially in the form set out in the Principal Trust Deed.

"**FATCA**" means (i) sections 1471 to 1474 of the Code; (ii) any similar or successor legislation to sections 1471 to 1474 of the Code; (iii) any regulations or guidance pursuant to either of the foregoing; (iv) any official interpretations of any of the foregoing; (v) any intergovernmental agreement to facilitate the implementation of any of the foregoing (an "**IGA**"); or (vi) any law implementing an IGA; or (vii) any agreement with the United States or any other jurisdiction or authority pursuant to any of the foregoing.

"**FATCA Withholding Tax**" means any withholding imposed on any payments in respect of the Notes pursuant to FATCA.

"**Final Redemption Amount**" means, in respect of a Note, an amount determined by the Calculation Agent equal to (i) the amount specified as such in the applicable Issue Terms or Additional Conditions (or the amount determined in accordance with the formula or method for determining such amount specified therein), (ii) if "Physical Settlement" is specified in the applicable Issue Terms, the Physical Redemption Amount, or (iii) if no amount is so specified, the outstanding nominal amount of such Note.

"**Final Terms**" means the final terms completed by the Issuer in respect of the Notes.

"**Fixed Coupon Amount**" has the meaning given to it in the applicable Issue Terms.

An "**Illegality Event**" shall occur if, due to the adoption of, or any change in, any applicable law after the Issue Date, or due to the promulgation of, or any change in, the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law after such date, it becomes unlawful for the Issuer (i) to perform any absolute or contingent obligation to make a payment or delivery in respect of the Notes or any agreement entered into in

connection with the Notes, (ii) to hold any Collateral or to receive a payment or delivery in respect of any Collateral or (iii) to comply with any other material provision of any agreement entered into in connection with the Notes.

"**Industry Standard Adjustment**" means, in respect of a Reference Rate and an Adjustment Spread, the spread or formula or methodology for calculating a spread or payment (as applicable), that is, in the determination of the Calculation Agent, recognised or acknowledged as being the industry standard (or otherwise customarily widely adopted) for over-the-counter derivative transactions which reference such Reference Rate, which recognition or acknowledgment may be in the form of a press release, a member announcement, a member advice, letter, protocol, publication of standard terms or otherwise by ISDA or any other industry body.

"**Industry Standard Rate**" means, in respect of a Reference Rate, the rate that is, in the determination of the Calculation Agent, recognised or acknowledged as being the industry standard (or otherwise customarily widely adopted) replacement rate for over-the-counter derivative transactions which reference such Reference Rate, which recognition or acknowledgment may be in the form of a press release, a member announcement, a member advice, letter, protocol, publication of standard terms or otherwise by ISDA or any other industry body.

"**Information Reporting Regime**" means (i) the common standard on reporting and due diligence for financial account information developed by the Organisation for Economic Co-operation and Development, bilateral and multilateral competent authority agreements, and treaties facilitating the implementation thereof, and any law implementing any such common standard, competent authority agreement, intergovernmental agreement, or treaty, (ii) Council Directive 2011/16/EU on administrative cooperation in the field of taxation and any law implementing such Council Directive and (iii) FATCA.

"**Initial Issuer Application Date**" has the meaning given to it in the definition of "Issuer Application Date" in this Master Condition 1(a).

"**Initial Trade Date**" means, in respect of a Note and an Original Collateral Payment Failure, the date specified as such in the applicable Issue Terms.

"**Instalment Amount**" means, in respect of a Note and an Instalment Date, an amount determined by the Calculation Agent equal to the amount specified as such in the applicable Issue Terms or the amount determined in accordance with the formula or method for determining such amount specified therein.

"**Instalment Date**" means, in respect of a Note, each date specified as such in the applicable Issue Terms.

"**interest**", in the context of amounts payable in respect of the Notes, shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Master Condition 7 (*Interest*).

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

"**Interest Amount**" means:

(i) in respect of an Interest Accrual Period, the amount of interest payable per Calculation Amount for that Interest Accrual Period and which, in the case of Fixed Rate Notes, and unless otherwise specified in the applicable Issue Terms, shall mean the Fixed Coupon Amount or Broken Amount specified in the applicable Issue Terms as being payable on the Interest Payment Date ending the Interest Period of which such Interest Accrual Period forms part; and

(ii) in respect of any other period, the amount of interest payable per Calculation Amount for that period.

"**Interest Commencement Date**" means the Issue Date or such other date as may be specified in the applicable Issue Terms.

"**Interest Determination Date**" means, with respect to a Rate of Interest and Interest Accrual Period, the date specified as such in the applicable Issue Terms or, if none is so specified, (i) the first day of such Interest Accrual Period if the Specified Currency is Sterling, (ii) the day falling two Business Days in London for the Specified Currency prior to the first day of such Interest Accrual Period if the Specified Currency is neither Sterling nor euro or (iii) the day falling two TARGET Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is euro.

"**Interest Payment Date**" means:

(i) in respect of Fixed Rate Notes, each date specified as an Interest Payment Date in the applicable Issue Terms; and

(ii) in respect of all Notes other than Fixed Rate Notes:

(a) each date specified as a Specified Interest Payment Date in the applicable Issue Terms; or

(b) if no Specified Interest Payment Date(s) is/are specified in the applicable Issue Terms, each date which falls the number of months or other period specified in the applicable Issue Terms as the Interest Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

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

"**Interest Period Date**" means, unless otherwise specified in the applicable Issue Terms, each Interest Payment Date, provided that in the case of Fixed Rate Notes, each such Interest Payment Date shall not be adjusted in accordance with the relevant Business Day Convention for the purpose of determining the Interest Accrual Period (even if, for the avoidance of doubt, such Interest Payment Dates are adjusted for the purpose of payment of Interest Amounts).

"**ISDA**" means the International Swaps and Derivatives Association, Inc.

"**ISDA Benchmark Supplement**" means the 2006 ISDA Definitions, as published by ISDA, as amended and supplemented up to, and including, the Issue Date of the first Tranche of the

Notes and, if the relevant Issue Terms specify any supplement to the ISDA Definitions, as further amended by such supplement.

"**ISDA Credit Derivatives Definitions**" means the 2014 ISDA Credit Derivatives Definitions, as published by ISDA.

"**ISDA Definitions**" means the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc., and, in respect of each Series, as amended and supplemented up to and including the Issue Date of the first Tranche of such Series, unless otherwise specified in the applicable Issue Terms.

"**ISDA Rate**" has the meaning given to it in Master Condition 7(b)(ii) (*Rate of Interest for Floating Rate Notes*).

"**Issue Deed**" means the issue deed entered into by the Transaction Parties and such other parties specified therein in relation to the Notes which, amongst other things, creates the Master Agreement and supplements and, to the extent agreed amongst the parties thereto, amends the Trust Deed and the other Transaction Documents in respect of such Notes only (but provided that where one or more further Tranches of Notes are issued in accordance with Master Condition 21 (*Further Issues*) so as to be consolidated and form a single series with the Notes, and where the context so requires, references to the Issue Deed shall be deemed to include the Issue Deed entered into in respect of such further Tranche or Tranches).

"**Issue Terms**" means the applicable Final Terms or, where an Alternative Drawdown Document is prepared (which shall be the case for Credit Linked Notes and Collateral Basket Notes), the applicable terms and conditions set out in such Alternative Drawdown Document as specified in the relevant Issue Deed.

"**Issuer**" means Argentum Securities Ireland plc.

"**Issuer Application Date**" means each of:

(i) where no Physical Redemption Amount is payable in respect of any Notes, the Early Redemption Date or Relevant Payment Date, as applicable or, if later, the fifth Reference Business Day after the earliest date on which the amount owing to or from the Swap Counterparty under the Swap Agreement and the Early Redemption Amount, the Final Redemption Amount and any interest or Instalment Amount that has become due and payable on the Maturity Date in respect of the Series or any relevant Class thereof, as applicable, have been determined pursuant to the Conditions and/or the terms of the relevant Transaction Document(s), as applicable and, to the extent not all the Collateral has been Liquidated in full or the cash proceeds of such Liquidation have not been received by or on behalf of the Issuer by such time, each day that is five Reference Business Days following receipt by the Issuer of additional proceeds resulting from the related Liquidation; or

(ii) where a Physical Redemption Amount is payable in respect of any Notes, the Early Redemption Date or Relevant Payment Date, as applicable or, if later, the later of (a) the date falling five Reference Business Days after all the Collateral required to be liquidated has been liquidated in full and the cash proceeds have been received by or on behalf of the Issuer and (b) the fifth Reference Business Day after the earliest date on which the amount owing to or from the Swap Counterparty under the Swap Agreement and the Early Redemption Amount, the Final Redemption Amount and any interest or Instalment Amount that has become due and payable on the Maturity Date, as applicable, have

been determined pursuant to the terms of the Conditions and/or the relevant Transaction Document(s), as applicable (the Issuer Application Date pursuant to sub-paragraph (i) or this sub-paragraph (ii), as the case may be, the "**Initial Issuer Application Date**"); and

(iii) in respect of each sum received by the Issuer from the Mortgaged Property that has not already been applied on the Initial Issuer Application Date, the date falling five Reference Business Days following receipt by the Issuer of such sum.

"**Issuing and Paying Agent**" has the meaning given to it in the recitals to these Master Conditions.

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

"**Liquidation**" means, in respect of any Collateral (or, in the case of an Early Redeeming Class of Notes, any Affected Class Collateral), the realisation of such Collateral (or, in the case of an Early Redeeming Class of Notes, any Affected Class Collateral) for cash proceeds whether by way of sale, early redemption, early repayment or agreed termination or by such other means as the Disposal Agent determines appropriate or in any other manner specified in the applicable Issue Terms, or, in the case of a Bankruptcy Event affecting the Issuer, realisation by such means as determined by any competent bankruptcy officer and "**Liquidate**", "**Liquidated**" and "**Liquidating**" shall be construed accordingly.

"**Liquidation Commencement Date**" means the later of (i) the day on which the Disposal Agent receives a Liquidation Commencement Notice and (ii) if Noteholder Settlement Option is specified in the applicable Issue Terms, the Settlement Option Cut-off Date.

"**Liquidation Commencement Notice**" means a notice from the Issuer or the Calculation Agent in writing to the Disposal Agent, the Custodian and the Trustee of the occurrence of a Liquidation Event, which may be in respect of the Series or of one or more Early Redeeming Classes of Notes. Any Early Redemption Notice and/or Swap Termination Notice given or copied to the Disposal Agent shall constitute a Liquidation Commencement Notice.

"**Liquidation Event**" means:

(i) default is made in the payment or delivery of (a) the Final Redemption Amount or (b) any interest or Instalment Amount that has become due and payable on the Maturity Date; or

(ii) the occurrence of an Early Redemption Commencement Date.

"**Liquidation Expenses**" has the meaning given to it in Master Condition 13(d) (*Costs and expenses*).

"**Master Agreement**" means (i) where a Swap Counterparty for the Notes is specified in the applicable Issue Terms to be Credit Suisse International, the agreement entered into between the Issuer and Credit Suisse International by execution of the Issue Deed and which is in the form of an ISDA 2002 Master Agreement together with a schedule (the "**Schedule**") thereto and which, if so specified in the applicable Issue Terms, shall include a credit support annex to the Schedule to the ISDA 2002 Master Agreement in the form of the ISDA Credit Support Annex (Bilateral Form – Transfer) (the "**Credit Support Annex**") or (ii) where a Swap Counterparty for the Notes is specified in the applicable Issue Terms to be an entity other than Credit Suisse International, the agreement defined as such in the applicable Issue Terms.

"**Master Conditions**" means these master conditions, as set out in Part C of Schedule 2 of the Principal Trust Deed. References to a particularly numbered Master Condition shall be construed as a reference to the Master Condition so numbered in the Master Conditions.

"**Maturity Cut-off Date**" has the meaning given to it in Master Condition 15(e) (*Foreign exchange conversion*).

"**Maturity Date**" means, in respect of a Note, the date specified as such in the applicable Issue Terms.

"**Modifications**" has the meaning given to it in Master Condition 12(c) (*Consequential amendments*).

"**Modifications Certificate**" has the meaning given to it in Master Condition 12(c)(iii) (*Consequential amendments*).

"**Moody's**" means Moody's Investors Service Limited, established in the United Kingdom and registered under the CRA Regulation.

"**Mortgaged Property**" means:

(i) the Collateral and all property, assets and sums derived therefrom;

(ii) all cash (if any) held by the Issuer in respect of the Series;

(iii) the rights and interest of the Issuer in and under the Swap Agreement (if any) and the rights, title and interest of the Issuer in all property, assets and sums derived from any such Swap Agreement;

(iv) the rights and interest of the Issuer under the Agency Agreement and the rights, title and interest of the Issuer in all property, assets and sums derived from the Agency Agreement; and

(v) the rights, title and interest of the Issuer in any other assets, property, income, rights and/or agreements of the Issuer (other than the Issuer's share capital) from time to time charged or assigned or otherwise made subject to the security created by the Issuer in favour of the Trustee pursuant to the Security Documents, as the case may be,

in each case securing the Secured Payment Obligations and includes, where the context permits, any part of that Mortgaged Property.

"**New Collateral Criteria**" has the meaning given to it in Master Condition 5(b) (*Substitution of Original Collateral*).

"**Non-Approval Event**" means, in respect of a Reference Rate, the determination by the Calculation Agent that one or more of the following events has occurred:

(i) any authorisation, registration, recognition, endorsement, equivalence decision or approval in respect of such Reference Rate or the administrator or sponsor of such Reference Rate is not obtained;

(ii) the Reference Rate or the administrator or sponsor of the Reference Rate is not included in the official register; or

(iii) such Reference Rate or the administrator or sponsor of such Reference Rate does not fulfil any legal or regulatory requirement applicable to the Issuer or the Calculation Agent or such Reference Rate,

in each case, as required under any applicable law or regulation in order for the Issuer or the Calculation Agent to perform its or their respective obligations under the Notes, provided that a Non-Approval Event shall not occur if such Reference Rate or the administrator or sponsor of such Reference Rate 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 such Reference Rate is permitted in respect of the Notes under the applicable law or regulation.

"**Non-Physically Deliverable Collateral**" means the aggregate of all Non-Physically Deliverable Collateral Components (which may be one only) in respect of the Remaining Original Collateral.

"**Non-Physically Deliverable Collateral Component**" means, in respect of a Series of Notes, for each type of Original Collateral comprising the Remaining Original Collateral (each, a "**Component Collateral**"), an aggregate nominal amount of such Component Collateral equal to the product of (i) the aggregate nominal amount of all such Component Collateral and (ii) the aggregate nominal amount of the Notes outstanding in respect of which an Early Cash Redemption Amount is payable (if any) divided by the aggregate nominal amount of Notes outstanding, with the resulting product of (i) and (ii) being rounded up to the nearest tradable unit of such Component Collateral, all as determined by the Calculation Agent (the aggregate nominal amount of any such rounding up in respect of the relevant Component Collateral, being the "**Non-Physical Rounding Component**").

"**Non-Physically Deliverable Collateral Proceeds**" means, in respect of a Series of Notes, all cash sums derived from the Liquidation of the Non-Physically Deliverable Collateral, provided that where all or part of such cash sums are not denominated in the Specified Currency, such amount (or each such part thereof, as the case may be) shall be converted into the Specified Currency at a rate determined by the Disposal Agent to be representative of the spot foreign exchange rates prevailing for sale of the relevant non-Specified Currency and purchase of the Specified Currency.

"**Non-Physical Rounding Component**" has the meaning given to such term in the definition of Non-Physically Deliverable Collateral Component.

"**Note Entitlement**" has the meaning given to such term in Master Condition 8(r) (*Physical Redemption Amounts*).

"**Note Tax Event**" has the meaning given to it in Master Condition 8(d)(i) (*Redemption for taxation reasons*).

"**Noteholder**" means the bearer of any Bearer Note and the Receipts relating to it or the person in whose name a Registered Note is registered (as the case may be) and "**holder**" (in relation to a Note, Receipt, Coupon or Talon) means the bearer of any Bearer Note, Receipt, Coupon or Talon or the person in whose name a Registered Note is registered (as the case may be) save that for so long as such Notes or any part thereof are represented by a Global Note or Global Certificate held by or on behalf of one or more clearing systems, each person (other than one clearing system to the extent that it appears on the books of another clearing system) who is for the time being shown in the records of the relevant clearing system as the holder of

a particular nominal amount of such Notes (in which regard any certificate or other document issued by the relevant clearing system as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error), shall be treated by the Issuer, the Trustee and each Agent as the holder of such nominal amount of such Notes for all purposes other than with respect to the right to payment on such nominal amount or interest (if any) on such Notes, the right to which shall be vested, as against the Issuer, the Trustee and any Agent, solely in the bearer of the relevant Global Note or the person in whose name the Global Certificate is registered in accordance with and subject to its terms and the provisions of the Trust Deed and the expressions "**holder**" and "**holder of Notes**" and related expressions shall (where appropriate) be construed accordingly.

"**Notes**" means the secured notes issued under this Programme.

"**Obligation**" means (i) any secured obligation, which shall include, without limitation, any Note, and (ii) any other obligation that is in the form of, or represented by, a bond, note, certificated security or other security and any obligation that is documented by a term loan agreement, revolving loan agreement or other similar credit agreement or declaration of trust or similar document issued or entered into by the Issuer pursuant to the Programme.

"**Original Collateral**" means, in connection with the issue of the Notes, the Issuer's rights, title and/or interests in and to:

(i) one or more transferable securities specified in the applicable Issue Terms as forming part of the Original Collateral and issued by or representing obligations of one or more persons; and/or

(ii) loans, deposits, shares, partnership interests, units in unit trusts or any other asset or property (which may, for the avoidance of doubt, include the benefit of contractual rights) specified in the applicable Issue Terms as forming part of the Original Collateral and representing obligations of one or more persons.

The term "Original Collateral" shall include the rights, title and/or interests in and to (x) any further Original Collateral acquired by the Issuer in connection with any further issue of notes that are to be consolidated and form a single series or class thereof with the Notes, (y) any Original Collateral acquired by the Issuer by way of substitution or replacement of any Original Collateral previously held by it, respectively and (z) any asset or property (which may, for the avoidance of doubt, include the benefit of contractual rights) into which any of the Original Collateral is converted or exchanged or that is issued to the Issuer (or any relevant person holding such Original Collateral for or on behalf of the Issuer) by virtue of its holding thereof. For the avoidance of doubt Original Collateral shall not include any CSA Posted Collateral or any other securities, cash or other assets or property transferred or delivered to the Issuer pursuant to the Credit Support Annex or deriving therefrom.

"**Original Collateral Call**" means notice is given that any of the Original Collateral is called for redemption or repayment or prepayment (whether in whole or in part) prior to its scheduled maturity date.

"**Original Collateral Call Date**" means the date on which the Original Collateral may be called by the Original Collateral Obligor in accordance with the terms and conditions of the Original Collateral.

"**Original Collateral Conversion**" means the conversion of the Original Collateral into any other financial instrument upon the exercise by the relevant Original Collateral Obligor of any option or other right to convert the Original Collateral under the terms and conditions of the Original Collateral.

"**Original Collateral Default**" means any of the Original Collateral becomes payable or repayable or becomes capable of being declared due and payable prior to its stated maturity for whatever reason, otherwise than in accordance with their scheduled repayment profile or as a result of the exercise of an issuer option or a holder option unless such option arises as a result of an event of default, a tax event or other similar event (which shall also be triggered where any Original Collateral comprises bail-in eligible debt and a bail-in occurs with respect to such Original Collateral as a result of the application of resolution procedures to the Collateral Obligor or by way of reduction of the principal amount outstanding of such Original Collateral or otherwise).

"**Original Collateral Early Payment Date**" means, following the occurrence of an Original Collateral Call, the day on which the Original Collateral that is the subject of the Original Collateral Call is scheduled to redeem or repay early.

"**Original Collateral Non-Call Cut-off Date**" means the final day of the period during which the Original Collateral Obligor can give notice to the holders of the Original Collateral that the Original Collateral is to be called in whole in accordance with the terms and conditions of the Original Collateral.

"**Original Collateral Non-Call Event**" means the Original Collateral Obligor failing to give notice that the Original Collateral is to be called in whole on the Original Collateral Call Date by no later the Original Collateral Non-Call Cut-off Date.

"**Original Collateral Obligor**" means the Collateral Obligor in respect of the Original Collateral from time to time.

"**Original Collateral Payment Failure**" means, in respect of any Original Collateral, the failure by the relevant Original Collateral Obligor to make a scheduled payment on the date, in the place and in the currency such payment was scheduled to be made as at the Initial Trade Date (disregarding any terms allowing for non-payment, deferral or adjustments to any scheduled payments and any notice or grace period in respect thereof) in respect of such Original Collateral.

"**Original Collateral Proceeds**" has the meaning given to it in the definition of "Value of Original Collateral" in this Master Condition 1(a).

"**Original Collateral Tax Event**" has the meaning given to it in Master Condition 8(d)(i) (*Redemption for taxation reasons*).

"**Original Master Agency Terms**" means the original master agency terms originally dated 16 July 2009 (as amended, updated and/or replaced from time to time) relating to the Programme.

"**Original Master Charged Agreement Terms**" means the original master charged agreement terms originally dated 16 July 2009 (as amended, updated and/or replaced from time to time) relating to the Programme.

"**Original Master Charged Assets Sale Terms**" means the original master charged assets sale terms originally dated 16 July 2009 (as amended, updated and/or replaced from time to time) relating to the Programme.

"**Original Master Conditions**" means the original master conditions originally dated 16 July 2009 (as amended, updated and/or replaced from time to time) relating to the Programme.

"**Original Master Custody Terms**" means the original master custody terms originally dated 16 July 2009 (as amended, updated and/or replaced from time to time) relating to the Programme.

"**Original Master Definitions**" means the original master definitions originally dated 16 July 2009 (as amended, updated and/or replaced from time to time) relating to the Programme.

"**Original Master Placing Terms**" means the original master placing terms originally dated 16 July 2009 (as amended, updated and/or replaced from time to time) relating to the Programme.

"**Original Master Trust Terms**" means the original master trust terms originally dated 16 July 2009 (as amended, updated and/or replaced from time to time) relating to the Programme.

"**Original Programme Deed**" means an agreement entered into by the Issuer and other parties which amended and restated the Original Programme Documents and which created the Principal Trust Deed, the Agency Agreement, the Repurchase and Cancellation Agreement and certain other documentation in respect of the Programme.

"**Original Programme Documents**" means the Original Master Agency Terms, Original Master Charged Agreement Terms, Original Master Charged Assets Sale Terms, Original Master Conditions, Original Master Custody Terms, Original Master Definitions, Original Master Placing Terms and Original Master Trust Terms, in each case originally dated 16 July 2009 (as amended, updated and/or replaced from time to time).

"**Paying Agents**" has the meaning given to it in the recitals to these Master Conditions.

"**Physical Redemption Amount**" has the meaning given to it in Master Condition 8(r) (*Physical Redemption Amounts*).

"**Physical Rounding Component**" has the meaning given to it in Master Condition 8(r) (*Physical Redemption Amounts*).

"**Physical Settlement**" has the meaning given to it in the applicable Issue Terms.

"**Physical Top-Up Portion**" means the aggregate of the cash amounts obtained in respect of each Component Collateral by multiplying (i) the portion of the Non-Physically Deliverable Collateral Proceeds in respect of that Component Collateral and (ii) the fraction obtained by dividing (a) the Non-Physical Rounding Component in respect of that Component Collateral divided by (b) the aggregate nominal amount of such Component Collateral.

"**Pre-Conditions to Delivery**" has the meaning given to it in Master Condition 8(q) (*Provisions relating to Physical Redemption Amounts*).

"**principal**" shall be deemed to include any premium payable in respect of the Notes, all Instalment Amounts, the Final Redemption Amount, any Early Redemption Amount and all other amounts in the nature of principal payable pursuant to Master Condition 8 (*Redemption and Purchase*).

"**Principal Trust Deed**" means the principal trust deed entered into by the Issuer, Citicorp Trustee Company Limited and others by execution of the Programme Deed.

"**Proceedings**" has the meaning given to it in Master Condition 25(b) (*Jurisdiction*).

"**Product Supplement**" means any Product Supplement which is specified in the applicable Issue Terms.

"**Programme**" means a programme for the issuance of secured notes, established by the Issuer pursuant to an original base prospectus dated 10 July 2009 (as supplemented from time to time) and the Original Programme Documents.

"**Programme Date**" means, in respect of the Issuer and considered as at the Issue Date, the date on which the Issuer and the other parties thereto most recently entered into a Programme Deed to update the Programme.

"**Programme Deed**" means the Original Programme Deed, or thereafter, an agreement entered into by the Issuer and other parties on the Programme Date and the execution of which amended and restated the Principal Trust Deed, the Agency Agreement, the Repurchase and Cancellation Agreement and certain other documentation in respect of the Programme.

"**Programme Parties**" means the Arranger, the Calculation Agent, the Custodian, the Dealer, the Disposal Agent, the Issuing and Paying Agent, the Registrar, the Transfer Agent and the Trustee.

"**Prospectus Regulation**" means Regulation (EU) 2017/1129.

"**Quotation**" has the meaning given to it in Master Condition 13(b)(iii)(2) (*Liquidation process*).

"**Quotation Dealer**" means a dealer in obligations of the type for which Quotations are to be obtained, including each Quotation Dealer specified in the relevant Issue Terms selected by the Calculation Agent. Upon a Quotation Dealer no longer being in existence (with no successors), or not being an active dealer in the obligations of the type for which Quotations are to be obtained, the Calculation Agent may select any other Quotation Dealer(s) as a substitute.

"**Rate of Interest**" means the rate of interest payable from time to time in respect of a Note and that is either specified in, or calculated in accordance with the provisions of, the applicable Issue Terms.

"**Receipts**" has the meaning given to it in the recitals to these Master Conditions.

"**Record Date**" has the meaning given to it in Master Condition 10(b) (*Registered Notes*).

"**Redeeming Class of Notes**" has the meaning given to it in Master Condition 8(m) (*Redemption following an Early Redemption Commencement Date in respect of certain Class(es) only*).

"**Redeeming Note**" means any Note forming part of a Redeeming Class of Notes.

"**Reference Business Day**" means (i) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in each of the places specified for that purpose in the applicable Issue Terms under "Reference Business Day" and/or (ii) if "TARGET" or "TARGET Settlement Day" is specified under "Reference Business Day" in the applicable Issue Terms, a TARGET Settlement Day.

"**Reference Rate**" means a Floating Rate Option and any index, benchmark or price source by reference to which any amount payable under the Notes is determined. To the extent that a

Replacement Reference Rate applies in respect of the Notes, such Replacement Reference Rate shall be a "Reference Rate" for the Notes during the period in which it is used.

"**Reference Rate Cessation**" means, in respect of a Reference Rate, the determination by the Calculation Agent that one or more of the following events has occurred:

(i) a public statement by either the supervisor of the administrator of the Reference Rate or the administrator of the Reference Rate announcing that any of the events set out in Section 5(a)(vii)(1) to (9) of the ISDA 2002 Master Agreement (as published by ISDA) (each a "**Bankruptcy Event**") have occurred in respect of that administrator or the publication of information which reasonably confirms that any Bankruptcy Event has occurred in respect of the administrator of the Reference Rate and which is information contained in any order, decree, notice, petition or filing, however described, of or filed with a court, tribunal, exchange, regulatory authority or similar administrative, regulatory or judicial body provided that, in each case, at the time of such public statement or publication, there is no successor administrator that will continue to provide the Reference Rate;

(ii) a public statement by the administrator of such Reference Rate announcing that it has ceased or will cease to provide such Reference Rate permanently or indefinitely, provided that, at the time of such public statement, there is no successor administrator that will continue to provide such Reference Rate;

(iii) a public statement by the supervisor of the administrator of such Reference Rate announcing that such Reference Rate has been or will be permanently or indefinitely discontinued; or

(iv) a public statement by the supervisor of the administrator of such Reference Rate announcing that such Reference Rate may no longer be used,

provided that, in each case, a Reference Rate Cessation shall only occur if the first day on which such Reference Rate is no longer available falls on or before the Maturity Date.

"**Reference Rate Event**" means, in respect of a Reference Rate, the determination by the Calculation Agent that one or more of the following events has occurred:

(i) a Reference Rate Cessation;

(ii) an Administrator/Benchmark Event;

(iii) such Reference Rate is, with respect to over-the-counter derivatives transactions which reference such Reference Rate, the subject of any market-wide development (which may be in the form of a protocol by ISDA) pursuant to which such Reference Rate is, on a specified date (the "**Specified Date**"), replaced with another rate established in order to comply with the recommendations in the Financial Stability Board's paper entitled "Reforming Major Interest Rate Benchmarks" dated 22 July 2014; or

(iv) any other event (if any) that constitutes a "Benchmark Trigger Event" in the ISDA Benchmark Supplement (if any) published by ISDA up to, and including, the Issue Date of the first Tranche of the Notes, and the date on which such event occurs, as determined by the Issuer, shall be the "**Additional Specified Date**".

"**Reference Rate Event Notice**" has the meaning given to it in Master Condition 9(d) (*Occurrence of a Reference Rate Event*).

"**Register**" has the meaning given to it in Master Condition 2 (*Form, Specified Denomination and Title*).

"**Registered Notes**" has the meaning given to it in Master Condition 2 (*Form, Specified Denomination and Title*).

"**Registrar**" has the meaning given to it in the recitals to these Master Conditions.

A "**Regulatory Event**" shall occur if:

(i) as a result of the implementation or adoption of, or any change in, any applicable law, regulation or regulatory guidance or interpretation;

(ii) due to the promulgation of, or any change in, the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation; or

(iii) as a result of the public or private statement or action by, or response of, any court, tribunal or regulatory authority with competent jurisdiction or any official or representative of any such court, tribunal or regulatory authority acting in an official capacity,

in each case after the Issue Date (including, without limitation, in connection with the application of (i) Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and any implementing legislation in an EU Member State or any similar concept under a comparable legislation in the UK, (ii) the Dodd-Frank Wall Street Reform and Consumer Protection Act and the rules and regulations adopted thereunder and (iii) any technical guidelines and regulatory technical standards, further regulations, official guidance or official rules of procedures with respect to any of the foregoing), (x) it is or will be unlawful or there is a reasonable likelihood of it being unlawful for (I) the Issuer to maintain the Notes or that the maintenance of the existence of the Notes would make it unlawful to maintain the existence of any other notes issued by the Issuer or (II) for the Issuer to perform any duties in respect of the Notes (including, without limitation, any transactions necessary or advisable to hedge the Issuer's risks in connection with the Notes), or (y) the costs of the Issuer complying with its obligations under the Trust Deed or under the Notes or its operating or administrative expenses are materially increased and the Issuer is unable to obtain the costs of such increase from another party or source.

"**Regulatory Event Determination Date**" has the meaning given to it in Master Condition 8(j) (*Redemption following a Regulatory Event*)

"**Rejection Event**" means, in respect of a Reference Rate, the determination by the Calculation Agent that the relevant competent authority or other relevant official body has rejected or refused 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 such Reference Rate or the administrator of such Reference Rate under any applicable law or regulation in order for the Issuer or the Calculation Agent to perform its or their respective obligations under the Notes.

"**Relevant Date**" means, in respect of any Note, Receipt or Coupon, the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which notice is duly given to the Noteholders that, upon further presentation of the Note (or relevant Certificate), Receipt or Coupon being made in

accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation.

"**Relevant Market Data**" means, in relation to any determination by the Calculation Agent, any relevant information including, without limitation, one or more of the following types of information:

(i) information consisting of relevant market data in the relevant market supplied by one or more third parties including, without limitation, alternative benchmarks, relevant rates, prices, yields, yield curves, volatilities, spreads, correlations or other relevant market data in the relevant market; or

(ii) information of the type described in paragraph (i) above from the Calculation Agent's internal sources if that information is of the same type used by the Issuer for adjustments to, or valuations of, similar transactions.

Third parties supplying market data pursuant to paragraph (i) above may include, without limitation, central counterparties, exchanges, dealers in the relevant markets, end-users of the relevant product, information vendors, brokers and other recognised sources of market information.

"**Relevant Nominating Body**" means, in respect of a Reference Rate:

(i) the central bank for the currency in which such Reference Rate is denominated or any central bank or other supervisory authority which is responsible for supervising such Reference Rate or the administrator of such Reference Rate; or

(ii) any working group or committee officially endorsed or convened by (A) the central bank for the currency in which such Reference Rate is denominated, (B) any central bank or other supervisory authority which is responsible for supervising such Reference Rate or the administrator of such Reference Rate, (C) a group of those central banks or other supervisory authorities, or (D) the Financial Stability Board or any part thereof.

"**Relevant Noteholder Proportion**" means the Noteholders (which may be of the Series, a Class or a number of Affected Classes, as applicable) in respect of which a meeting is, or is to be, convened or in respect of which an Extraordinary Resolution is proposed to be passed by way of Written Resolution or Electronic Consent.

"**Relevant Payment Date**" means, in the case of a Liquidation relating to a Liquidation Event arising due to the failure to pay the Final Redemption Amount or any interest or Instalment Amount that became due and payable on the Maturity Date, the day which falls 10 Reference Business Days after the Maturity Date.

"**Remaining Original Collateral**" has the meaning given to it in Master Condition 13(b) (*Liquidation process*).

"**Replacement Collateral Obligations**" has the meaning given to it in Master Condition 5(b) (*Substitution of Original Collateral*).

"**Replacement Details Notice**" for a Series, has the meaning given to it in Master Condition 9(d)(iv)(C) (*Occurrence of a Reference Rate Event*).

"**Replacement Reference Rate**" means, in respect of a Reference Rate:

(i) the Alternative Pre-nominated Reference Rate (if any); or

(ii)

(A) if paragraph (i) above does not apply, an Alternative Post-nominated Reference Rate which the Calculation Agent determines is an Industry Standard Rate; or

(B) if the Calculation Agent determines that there is no Alternative Post-nominated Reference Rate or that no Alternative Post-nominated Reference Rate is an Industry Standard Rate, any other index, benchmark or other price source selected by the Calculation Agent which the Calculation Agent determines is an Industry Standard Rate (an "**Alternative Industry Standard Reference Rate**").

If the Replacement Reference Rate is determined to be an Alternative Post-nominated Reference Rate or an Alternative Industry Standard Reference Rate, the Calculation Agent shall specify a date on which the relevant index, benchmark or other price source was recognised or acknowledged as being the relevant industry standard (which may be before such index, benchmark or other price source commences) in the Replacement Details Notice and the Issuer shall include such information in the Replacement Reference Rate Notice.

For the avoidance of doubt, following the occurrence of a Reference Rate Event, the Replacement Reference Rate shall be determined without having regard to any applicable fallback provisions contemplated within the original Reference Rate.

"**Replacement Reference Rate Amendments**" has the meaning given to it in Master Condition 9(d)(iv)(B) (*Occurrence of a Reference Rate Event*).

"**Replacement Reference Rate Amendments Certificate**" has the meaning given to it in Master Condition 9(d)(v) (*Occurrence of a Reference Rate Event*).

"**Replacement Reference Rate Notice**" has the meaning given to it in Master Condition 9(d)(iv)(C) (*Occurrence of a Reference Rate Event*).

"**Repurchase and Cancellation Agreement**" means the repurchase and cancellation agreement entered into by the Issuer, the Trustee and the Dealer by execution of the Programme Deed.

"**Required Ratings**" has the meaning given to it in Master Condition 11(d) (*Replacement of Custodian and/or Issuing and Paying Agent upon a Ratings Downgrade*).

"**Residual Amount**" means, with respect to an application of Available Proceeds or Affected Class Collateral Proceeds in connection with a Liquidation Event or an Enforcement Event, as applicable, all remaining proceeds (if any) after the application of the Available Proceeds or Affected Class Collateral Proceeds, as applicable, to satisfy the payments set out in Master Condition 15(a) (i) to (vi) (*Application of Available Proceeds or Affected Class Collateral Proceeds of Liquidation*) or in Master Condition 15(b) (i) to (v) (*Application of Available Proceeds of enforcement of Security*), as applicable.

"**Resolved**" has the meaning given to it in the ISDA Credit Derivatives Definitions.

"**Sanctions**" means any sanctions administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the U.S. State Department, any other agency of the U.S. Government, the United Nations, the European Union or Her Majesty's Treasury.

"**Schedule**" has the meaning given to it in the definition of "Master Agreement" in this Master Condition 1(a).

"**Secured Creditor**" means each person that is entitled to the benefit of Secured Payment Obligations.

"**Secured Payment Obligations**" means the payment obligations of the Issuer under the Trust Deed, the Swap Agreement and each Note, Coupon, Receipt and Talon, together with any obligation of the Issuer to make payment to the Disposal Agent or any other Agent pursuant to Master Condition 15(a) (*Application of Available Proceeds or Affected Class Collateral Proceeds of Liquidation*) or Master Condition 15(b) (*Application of Available Proceeds of enforcement of Security*), as the case may be.

"**Security**" means the security constituted by the Trust Deed and any other Security Documents (as the case may be).

"**Security Document**" means the Trust Deed or any other security document in respect of the Notes which creates or purports to create security in favour of the Trustee for the benefit of the Secured Creditors.

"**Settlement Option Cut-off Date**" has the meaning given to it in Master Condition 8(o) (*Definition of Early Redemption Amount*).

"**Sole Noteholder**" means the 100 per cent. holder of all outstanding Notes from time to time.

"**Specified Currency**" means the currency specified as such in the applicable Issue Terms or, if none is specified, the currency in which the Notes are denominated.

"**Specified Currency Proceeds**" means the Actual Currency Proceeds, provided that where all or part of such Actual Currency Proceeds are not denominated in the Specified Currency, such amount (or each such part thereof, as the case may be) shall be converted into the Specified Currency at a rate determined by the Disposal Agent to be representative of the spot foreign exchange rates prevailing for sale of the relevant non-Specified Currency and purchase of the Specified Currency.

"**Specified Date**" has the meaning given to it in the definition of "Reference Rate Event" in this Master Condition 1(a).

"**Specified Denomination**" means, in respect of a Note, the amount specified in the applicable Issue Terms.

"**Specified Interest Payment Date(s)**" means, in respect of a Note (other than a Fixed Rate Note), each date(s) specified as such in the applicable Issue Terms.

"**Specified Office**" means, in relation to an Agent, the office identified with its name in the applicable Issue Terms or any other office approved by the Trustee and notified to the Noteholders in accordance with the Principal Trust Deed.

"**Standard & Poor's**" means Standard & Poor's Credit Market Services Europe Limited, established in the European Union and registered under the CRA Regulation.

"**Substituted Original Collateral**" has the meaning given to it in Master Condition 5(b) (*Substitution of Original Collateral*).

"**Substitution Notice**" has the meaning given to it in Master Condition 5(b) (*Substitution of Original Collateral*).

"**Suspension Period**" has the meaning given to it in Master Condition 8(p)(i) (*Suspension of payments*).

"**Suspension/Withdrawal Event**" means, in respect of a Reference Rate, the determination by the Calculation Agent that one or more of the following events has occurred:

(i) the relevant competent authority or other relevant official body suspends or withdraws any authorisation, registration, recognition, endorsement, equivalence decision or approval in relation to such Reference Rate or the administrator or sponsor of such Reference Rate which is required under any applicable law or regulation in order for the Issuer or the Calculation Agent to perform its or their respective obligations under the Notes; or

(ii) such Reference Rate or the administrator or sponsor of such Reference Rate is removed from any official register where inclusion in such register is required under any applicable law or regulation in order for the Issuer or the Calculation Agent to perform its or their respective obligations under the Notes,

provided that 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 such Reference Rate is permitted in respect of the Notes under the applicable law or regulation.

"**Swap Agreement**" means, in respect of Notes for which a Master Agreement is specified to be applicable in the relevant Issue Deed, an agreement comprising the Master Agreement with respect to the relevant Swap Counterparty together with all Swap Transactions entered into between the Issuer and that Swap Counterparty in respect of the Notes.

"**Swap Counterparty**" means the person specified as such in the applicable Issue Terms or any successor thereto.

"**Swap Counterparty CSA Interest Amount**" means the amount (if any) in the Base Currency of the Interest Amount (as defined in the Credit Support Annex) that the Swap Counterparty is obliged to transfer to the Issuer pursuant to the Credit Support Annex as a result of the Notes falling due for redemption.

"**Swap Counterparty Event**" means, in accordance with the terms of the Swap Agreement, that an Event of Default (as defined in the Swap Agreement) has occurred with respect to the Swap Counterparty or a Termination Event (as defined in the Swap Agreement) has occurred where the Issuer has the right to designate an Early Termination Date in respect of all outstanding Swap Transactions under the Swap Agreement.

"**Swap Termination Event**" means that an Early Termination Date in respect of all outstanding Swap Transactions has been designated or deemed to have been designated by the Issuer or the Swap Counterparty, as applicable, under the Swap Agreement for any reason other than as a result of the occurrence of an Early Redemption Commencement Date in respect of the Notes other than pursuant to Master Condition 8(f) (*Redemption for termination of Swap Agreement*).

"**Swap Termination Notice**" means a notice of termination given under the Swap Agreement by the Issuer or the Swap Counterparty, as the case may be, in connection with which an Early Termination Date is designated or is deemed to have been designated in respect of all outstanding Swap Transactions thereunder.

"**Swap Transaction**" means a derivative transaction entered into between the Issuer and the Swap Counterparty in relation to the Notes or a Class thereof.

"**Talons**" has the meaning given to it in the recitals to these Master Conditions.

"**TARGET Settlement Day**" means any day on which the TARGET System is open.

"**TARGET System**" means the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) system or any successor thereto.

"**Tax**" means any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of any Authority having power to tax.

"**Termination Payment**" means any Early Termination Amount (as defined in the Swap Agreement) due under the Swap Agreement.

"**Transaction Document**" means, in respect of the Notes, each of the Security Document(s), the Issue Deed, the Agency Agreement, the Dealer Agreement, the Swap Agreement (if any), the Repurchase and Cancellation Agreement, the Programme Deed and any other agreement specified as such in the applicable Issue Terms.

"**Transaction Party**" means each party to a Transaction Document other than the Issuer, and any other person specified as a Transaction Party in the applicable Issue Terms.

"**Transfer Agents**" has the meaning given to it in the recitals to these Master Conditions.

A "**Trigger Event**" shall occur on any day if the Value of the Original Collateral plus the Trigger Swap Gain (if any) or minus the Trigger Swap Loss (if any) is equal to or less than the Trigger Level.

"**Trigger Level**" has the meaning given to it in the applicable Issue Terms.

"**Trigger Swap Gain**" means, in respect of any day, (i) where the Trigger Swap Value would be payable to the Issuer, the absolute value of the Trigger Swap Value, or (ii) otherwise, zero.

"**Trigger Swap Loss**" means, in respect of any day, (i) where the Trigger Swap Value would be payable to the Swap Counterparty, the absolute value of the Trigger Swap Value, or (ii) otherwise, zero.

"**Trigger Swap Value**" means, in respect of any day, an amount determined by the Calculation Agent and expressed in the Base Currency that is equal to the Early Termination Amount (as defined in the Swap Agreement) of the Swap Agreement (but excluding any Unpaid Amounts relating to the Credit Support Balance of either the Issuer or the Swap Counterparty under the Credit Support Annex) that would be payable by the Issuer to the Swap Counterparty or by the Swap Counterparty to the Issuer, under the Swap Agreement, upon a termination of the Swap Agreement on such date. Such Early Termination Amount shall be determined on the basis that:

(i) the Swap Counterparty is not the Affected Party;

(ii) the Swap Counterparty's claim to any Early Termination Amount payable by the Issuer shall be limited to the sum of the prevailing Value of the Original Collateral; and

(iii) the Calculation Agent is the Determining Party and Section 6(e)(ii)(1) of the Swap Agreement applies but without reference to Section 6(e)(ii)(3) thereof.

"**Triggered Class of Notes**" has the meaning given to it in Master Condition 8(n) (*Redemption of all Classes following an Enforcement Notice in respect of certain Class(es) of Notes only*).

"**Triggered Note**" mean any Note forming part of a Triggered Class of Notes.

"**Trust Deed**" means the Principal Trust Deed together with the provisions of the Issue Deed relating to the relevant Series which are expressed therein as forming part of the Trust Deed.

"**Trustee**" means Citicorp Trustee Company Limited as initial trustee, but which definition shall include all persons for the time being acting as the trustee or trustees under the Trust Deed.

"**Trustee Application Date**" means each date on which the Trustee determines to apply the Available Proceeds or Affected Class Collateral Proceeds in accordance with the Conditions and the provisions of the Trust Deed.

"**UK**" means the United Kingdom.

"**Unrounded Note Entitlement Component**" has the meaning given to such term in Master Condition 8(r) (*Physical Redemption Amounts*).

"**Value of the Original Collateral**" means, in respect of any day, (i) prior to the scheduled maturity of the Original Collateral in accordance with its terms and conditions, the value of the Original Collateral determined by the Calculation Agent (together with the amount of any redemption proceeds received by the Issuer in respect thereof) as at such day and (ii) on or following the date on which the Original Collateral is redeemed at its scheduled maturity in accordance with its terms, an amount equal to the redemption proceeds paid in respect thereof (the "**Original Collateral Proceeds**"), provided that where all or part of such value of the Original Collateral Proceeds are not denominated in the Base Currency, such amount (or each such part thereof, as the case may be) shall be converted into the Base Currency at a rate determined by the Calculation Agent to be representative of the spot foreign exchange rates prevailing for sale of the relevant non-Base Currency and purchase of the Base Currency.

**(b) Interpretation**

With respect to the Notes, references to the Principal Trust Deed, the Agency Agreement, the Dealer Agreement or any other Transaction Document created by the execution of the Programme Deed, as the case may be, are to those documents as amended or supplemented from time to time (whether by way of any supplements to, or amendment and restatements of, the Programme, as the case may be, or otherwise) in relation to the Programme as they stand as of the Issue Date of the Notes (including any amendments or supplements made with respect only to that particular issue of Notes, whether in the Issue Deed or otherwise) and thereafter, together with references to the Swap Agreement, are to those documents as they may then be subsequently amended, supplemented or replaced in respect of the Notes as permitted by the Conditions and the Trust Deed with respect to the Notes. Notwithstanding the foregoing, where one or more further Tranches of Notes are issued in accordance with Master Condition 21 (*Further Issues*) so as to be consolidated and form a single series with the Notes,

or a class thereof, the reference to Issue Date in this paragraph shall be to the Issue Date of the first Tranche of Notes.

## 2 Form, Specified Denomination and Title

The Notes are issued in bearer form ("**Bearer Notes**") or in registered form ("**Registered Notes**"), in each case in the Specified Denomination(s) specified in the applicable Issue Terms.

All Registered Notes shall have the same Specified Denomination.

The Notes shall have a minimum Specified Denomination of €100,000 (or its equivalent in any other currency as at the date of the issue of the Notes) provided that, if the Notes are not admitted to trading on an EEA regulated market or a regulated market in the UK, the Notes shall have a minimum purchase amount of €100,000 (or its equivalent in any other currency as at the date of the issue of the Notes) and may have a Specified Denomination of less than €100,000.

The Notes are Fixed Rate Notes, Floating Rate Notes, Zero Coupon Notes or Instalment Notes, a combination of any of the foregoing or any other kind of Note, depending upon the Interest and Redemption/Payment Basis specified in the applicable Issue Terms.

Bearer Notes are serially numbered and 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 Default Interest), Coupons and Talons in the Conditions are not applicable. Instalment Notes are issued with one or more Receipts attached.

Registered Notes are represented by registered certificates ("**Certificates**") and each Certificate shall represent the entire holding of Registered Notes by the same holder.

Title to Bearer Notes and Receipts, Coupons and Talons shall pass by delivery. Title to Registered Notes shall pass by registration in the register that the Issuer shall procure will be kept by the Registrar in accordance with the provisions of the Agency Agreement (the "**Register**"). Except as ordered by a court of competent jurisdiction or as required by law, the holder of any Note, Receipt, Coupon or Talon shall be deemed to be and may be treated as its absolute owner for all purposes, whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, any writing on it (or on the Certificate representing it) or its theft or loss (or that of the related Certificate), and no person shall be liable for so treating the holder.

Where the applicable Issue Terms specify Classes in respect of a Series, the Notes of all such Classes shall comprise a single Series (without distinction between the Classes, save as expressly provided herein, in the Issue Terms and in the Trust Deed) and the Notes of each Class shall rank *pari passu* and without any preferences amongst the Classes. References herein to Notes or Series shall, where such a Series comprises Classes, also refer to Notes of each of the Classes as the context requires.

## 3 No Exchange of Notes and Transfers of Registered Notes

### (a) No exchange of Notes

Registered Notes are not exchangeable for Bearer Notes. Bearer Notes of one Specified Denomination may not be exchanged for Bearer Notes of another Specified Denomination. Bearer Notes may not be exchanged for Registered Notes.

**(b) Transfers of Registered Notes**

One or more Registered Notes may be transferred upon the surrender (at the Specified Office of the Registrar or any Transfer Agent) of the Certificate representing such Registered Notes to be transferred, together with the form of transfer endorsed on such Certificate (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer) duly completed and executed, and any such other evidence as the Registrar or Transfer Agent may reasonably require. In the case of a transfer of part only of a holding of Registered Notes represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. All transfers of Notes and entries on the Register will be subject to and effected in accordance with the detailed regulations concerning transfers of Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Registrar and the Trustee. A copy of the current regulations will be made available by the Registrar to any Noteholder upon request.

**(c) Delivery of new Certificates**

Each new Certificate to be issued pursuant to Master Condition 3(b) (*Transfers of Registered Notes*) shall be available for delivery within three business days of the surrender of the relevant Certificate together with the relevant form of transfer and relevant evidence required by the Registrar or Transfer Agent. Delivery of the new Certificate(s) shall be made at the Specified Office of the Transfer Agent or of the Registrar (as the case may be) to whom delivery or surrender of such form of transfer or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant form of transfer or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the relevant Transfer Agent or the Registrar the costs of such other method of delivery and/or such insurance as it may specify. In this Master Condition 3(c), "**business day**" means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the Specified Office of the relevant Transfer Agent or the Registrar (as the case may be).

**(d) Transfers free of charge**

Transfers of Notes and Certificates pursuant to Master Condition 3(b) (*Transfers of Registered Notes*) shall be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agents, but upon payment of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity as the Registrar or the relevant Transfer Agent may require).

**(e) Closed periods**

No Noteholder may require the transfer of a Registered Note to be registered: (i) during the period of 15 days ending on the Maturity Date, or the due date for payment of any Instalment Amount in respect of that Note; (ii) after the occurrence of any Early Redemption Commencement Date and/or any Liquidation Event in relation to such Note; or (iii) during the period of seven days ending on (and including) any Record Date.

## 4 Constitution, Status, Collateral and Non-applicability

### (a) Constitution and status of Notes

The Notes are constituted and secured by the Trust Deed. The Notes are secured, limited recourse obligations of the Issuer, at all times ranking *pari passu* and without any preference among themselves, secured in the manner described in Master Condition 5 (*Security*) and recourse in respect of which is limited in the manner described in Master Conditions 15 (*Application of Available Proceeds or Affected Class Collateral Proceeds*), 16 (*Enforcement of Rights or Security*) and 17(a) (*General limited recourse*).

### (b) Collateral

In connection with the issue of the Notes, the Issuer may acquire rights, title and/or interests in and to the Collateral. The Original Collateral shall be as specified in the applicable Issue Terms. In addition, or in the alternative to its acquisition of rights, title and/or interests in and to the Collateral, the Issuer may enter into a Swap Agreement with respect to the Notes as specified in the applicable Issue Terms relating to the Notes.

### (c) Non-applicability

Where no reference is made in the Issue Deed and the Issue Terms to any Original Collateral, references in the Conditions to any such Original Collateral, to any Secured Payment Obligation relating to such Original Collateral and to any related Original Collateral Obligor or Secured Creditor relating to such Collateral, as the case may be, shall not be applicable. Where no reference is made in the Issue Deed and the applicable Issue Terms to any Swap Agreement and/or Swap Counterparty (or any Credit Support Annex thereto), references in the Conditions thereto shall not be applicable.

## 5 Security

### (a) Security

Unless otherwise specified in the Issue Deed, the Secured Payment Obligations are secured in favour of the Trustee for the benefit of itself and the other Secured Creditors, pursuant to the Trust Deed, by:

(i) a first fixed charge over the Collateral and all property, assets and sums derived therefrom (from time to time);

(ii) an assignment by way of security of all the Issuer's rights, title and interest attaching or relating to the Collateral and all property, sums or assets derived therefrom, including, without limitation, any right to delivery thereof or to an equivalent number or nominal value thereof which arises in connection with any such assets being held in a clearing system or through a financial intermediary;

(iii) an assignment by way of security of the Issuer's rights, title and interest against the Custodian, to the extent that they relate to the Collateral and/or the Notes;

(iv) an assignment by way of security of the Issuer's rights, title and interest under the Agency Agreement, to the extent they relate to the Collateral and/or Notes;

(v) an assignment by way of security of the Issuer's rights, title and interest under the Swap Agreement (without prejudice to, and after giving effect to, any contractual netting provision contained in the Swap Agreement);

(vi) an assignment by way of security of the Issuer's rights, title and interest under the Agency Agreement, to the extent that they relate to any assets held by the Custodian in respect of the Notes;

(vii) an assignment by way of security of the Issuer's rights against the Disposal Agent under the terms of the Agency Agreement (or any other agreement entered into between the Issuer and the Disposal Agent) to the extent that such rights relate to the Collateral and/or the Notes;

(viii) a first fixed charge over (A) all sums held by the Issuing and Paying Agent to meet payments due in respect of any Secured Payment Obligation and (B) any sums received by the Issuing and Paying Agent under the Swap Agreement; and

(ix) a first fixed charge over all property, sums and assets held or received by the Disposal Agent relating to the Transaction Documents and the Collateral.

Notwithstanding the above, investors should note that where any Collateral and/or any property, assets and sums derived therefrom are held by the Custodian in book-entry form, the security interests granted in respect of the same might, as a result of such book-entry holding, take the form only of a security interest over the Issuer's rights against the Custodian in respect of such Collateral and/or property, sums and assets, as the case may be, rather than a charge over such Collateral and/or property, sums and assets derived therefrom themselves.

Additionally, the Secured Payment Obligations of the Issuer may be secured pursuant to a Security Document other than the Trust Deed as specified in the relevant Issue Deed.

Certain of the assets being the subject of the Security shall be released from the Security automatically, without the need for any notice or other formalities, to the extent required for the Issuer to be able to duly make any payment or delivery in respect of the Notes and/or under the related Swap Agreement and/or the other Transaction Documents which is due and payable or deliverable, or in connection with the purchase of Notes or as otherwise provided for under the Conditions or the relevant Transaction Documents in respect of a Series.

**(b) Substitution of Original Collateral**

If "Original Collateral Substitution" is specified as applicable in the applicable Issue Terms, any holder(s) of more than 50 per cent. in aggregate principal amount of the Notes for the time being outstanding shall have the right at any time, by giving at least 10 Reference Business Days' notice substantially in the form set out in the Principal Trust Deed, validly completed and executed by the holder(s) (such notice a "**Substitution Notice**") to the Issuer, the Trustee, the Calculation Agent, the Disposal Agent and the Swap Counterparty, and sufficient proof of ownership of the Notes as the Issuer and the Trustee shall require, to request a substitution of any Original Collateral (such Original Collateral, the "**Substituted Original Collateral**") with a nominal amount of new collateral obligations (rounded down to the nearest whole denomination) that fulfil the criteria set out in the Issue Terms (the "**New Collateral Criteria**", and such new collateral obligations, the "**Replacement Collateral Obligations**"). Upon receipt of the net proceeds of Liquidation from a Liquidation effected pursuant to this Master Condition 5(b), the Issuer shall use all such proceeds to purchase as many Replacement Collateral

Obligations as it can with such net proceeds of Liquidation, which may be more or less than the number of Replacement Collateral Obligations identified in the relevant Substitution Notice. Any net proceeds of Liquidation remaining after such purchase will be deposited by the Issuer with the Custodian.

Pursuant to the Trust Deed, upon the effective delivery of a valid Substitution Notice to the Disposal Agent identifying Replacement Collateral Obligations which satisfy the New Collateral Criteria (as verified by the Calculation Agent and certified by it to the Disposal Agent), the Security described in Master Condition 5(a) (*Security*) will be automatically released without any further action on the part of the Trustee but only to the extent necessary to allow the Disposal Agent to Liquidate the Substituted Original Collateral and the Disposal Agent shall be obliged to effect such Liquidation as soon as reasonably practicable thereafter, provided that nothing in this Master Condition 5(b) will operate to release the charges and other security interests over the proceeds of such Liquidation.

The Disposal Agent may take such steps as it considers appropriate in order to effect any such Liquidations, including but not limited to selecting the method of Liquidating any Collateral. The Disposal Agent must effect any Liquidation as soon as reasonably practicable and in a commercially reasonable manner, even where a larger amount could possibly be received in respect of such Collateral if any such Liquidation were to be delayed. Subject to such requirement, the Disposal Agent shall be entitled to effect any Liquidation by way of one or multiple transactions on a single or multiple day(s).

The Disposal Agent shall not be liable to the Issuer, the Trustee, the Swap Counterparty, the Noteholders, the Couponholders, holders of Receipts or any other person merely because a larger amount could have been received had any such Liquidation been delayed or had the Disposal Agent selected a different method of Liquidating any such Collateral.

Master Conditions 13(c) (*Proceeds of Liquidation*) to 13(m) (*Transfer of Collateral to Custodian*) (inclusive) shall apply to a Liquidation being effected pursuant to this Master Condition 5(b).

Any Replacement Collateral Obligations substituted in accordance with this paragraph shall thereafter constitute Original Collateral for the purposes of the Conditions and the Transaction Documents and shall be secured by way of first fixed charge, and any Substituted Original Collateral substituted in accordance with this paragraph shall thereafter cease to be Original Collateral for the purposes of the Conditions and the Transaction Documents.

**(c) Issuer's rights as beneficial owner of Collateral**

Prior to the Trustee effectively giving a valid Enforcement Notice to the Issuer (copied to the Custodian and any Disposal Agent appointed at that time), the Issuer may, with the prior written consent of the Trustee or with the sanction of an Extraordinary Resolution:

(i) take such action in relation to the Mortgaged Property as it may think expedient; and

(ii) exercise any rights incidental to the ownership of the Mortgaged Property and, in particular (but without limitation and without responsibility for their exercise), any voting rights in respect of such property and all rights to enforce any ownership interests in respect of such property,

The Issuer will not exercise any rights with respect to Mortgaged Property unless it has the consent or sanction referred to above and, if such consent or sanction is given, the Issuer will act only in accordance with such consent or sanction. For the avoidance of doubt, no such

consent or sanction is required in connection with any assets that are released from the Security automatically.

**(d) Disposal Agent's right following Liquidation Event**

Notwithstanding the above, following the effective delivery of a valid Liquidation Commencement Notice to the Disposal Agent (copied to each of the other Transaction Parties), the Disposal Agent on behalf of the Issuer shall have the right to undertake any action as contemplated by the Conditions and the Agency Agreement as it considers appropriate, and any actions in furtherance thereof or ancillary thereto as they relate to the relevant Mortgaged Property, without requiring any sanction referred to therein. Pursuant to the terms of the Trust Deed, upon the effective delivery of a valid Liquidation Commencement Notice to the Disposal Agent the Security described in Master Condition 5(a) (*Security*) will automatically be released without further action on the part of the Trustee to the extent necessary for the Disposal Agent to effect the Liquidation of the relevant Mortgaged Property, provided that nothing in this Master Condition 5(d) will operate to release the charges and other security interests over the proceeds of the Liquidation of the Mortgaged Property or over any Mortgaged Property not subject to such Liquidation.

**(e) Credit Support Annex**

If "Credit Support Annex" is specified as applicable in the applicable Issue Terms then the Issuer will enter into a Credit Support Annex under the Swap Agreement pursuant to which the Issuer shall, if required in accordance with the terms of the Credit Support Annex, transfer some or all of the Collateral to the Swap Counterparty. The Swap Counterparty may also, if required in accordance with the terms of the Credit Support Annex, transfer to the Issuer from time to time CSA Posted Collateral. Collateral transferred by the Issuer pursuant to the Credit Support Annex will be deemed to be released by the Trustee from the Security described in Master Condition 5(a) (*Security*) immediately prior to the delivery or transfer of such Collateral by or on behalf of the Issuer to the Swap Counterparty.

## 6 Restrictions

So long as any instrument of the Issuer remains outstanding, the Issuer shall not, without the prior consent in writing of the Trustee and the Swap Counterparty, but subject to the provisions of Master Condition 13 (*Liquidation*):

(a) engage in any business other than the issuance or entry into of instruments to or with investors and the entry into of related agreements and transactions and the performing of acts incidental thereto or necessary in connection therewith, provided that any instruments issued to or entered into with investors:

(i) are secured on, or otherwise limited in recourse to, specified assets of the Issuer other than the Issuer's share capital, any fees paid to the Issuer in connection with any such instruments, and any assets securing, or to which recourse is otherwise limited in respect of, any series of other instruments (other than Equivalent Obligations); and

(ii) contain provisions that limit the recourse of any holder of any such instruments to assets other than the Issuer's share capital, any fees paid to the Issuer in connection with any such instruments and assets to which any series of other instruments (other than Equivalent Obligations) have recourse;

(b) sell, transfer or otherwise dispose of any of the Mortgaged Property or any right or interest therein or create any mortgage, charge or other security or right of recourse in respect thereof;

(c) cause or permit the Swap Agreement or the priority of the Security created by the Trust Deed or any other Security Document to be amended, terminated or discharged;

(d) release any party to the Swap Agreement, the Principal Trust Deed, the Issue Deed or any other Security Document from any existing obligations thereunder;

(e) have any subsidiaries;

(f) consent to any variation of, or exercise any powers of consent or waiver pursuant to, the terms of the Swap Agreement, the Conditions, the Principal Trust Deed, the Issue Deed, any other Security Document or any other Transaction Document;

(g) consolidate or merge with any other person or convey or transfer its properties or assets substantially as an entirety to any person;

(h) have any employees;

(i) issue any shares (other than such shares as are in issue at the date hereof) or make any distribution to its shareholders;

(j) open or have any interest in any account with a bank or financial institution unless (i) such account relates to the issuance or entry into of Obligations and such Obligations have the benefit of security over the Issuer's interest in such account or (ii) such account is opened in connection with the administration and management of the Issuer and only moneys necessary for that purpose are credited to it;

(k) declare any dividends;

(l) purchase, own, lease or otherwise acquire any real property (including office premises or like facilities);

(m) guarantee, act as surety for or become obligated for the debts of any other entity or person or enter into any agreement with any other entity or person whereby it agrees to satisfy the obligations of such entity or person or any other entity or person;

(n) acquire any securities or shareholdings whatsoever from its shareholders or enter into any agreements whereby it would be acquiring the obligations and/or liabilities of its shareholders;

(o) except as required in connection with the issuance or entry into of Obligations, advance or lend any of its moneys or assets, including but not limited to the Mortgaged Property, to any other entity or person; or

(p) approve or sanction any amendment to its constitutional documents,

except as provided for or contemplated in the Conditions or any Transaction Document.

## 7 Interest

### (a) Interest on Fixed Rate Notes

Each Fixed Rate Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of

interest payable shall be determined in accordance with Master Condition 7(g) (*Interest payable*).

**(b) Interest on Floating Rate Notes**

(i) **Interest Payment Dates**

Each Floating Rate Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Master Condition 7(g) (*Interest payable*).

(ii) **Rate of Interest for Floating Rate Notes**

The Rate of Interest in respect of Floating Rate Notes for each Interest Accrual Period shall be determined in accordance with the provisions below relating to ISDA Determination.

Where ISDA Determination is applicable, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate, as adjusted by the Margin (if any) in accordance with Master Condition 7(f) (*Margin*) below. For the purposes of this Master Condition 7(b)(ii), "**ISDA Rate**" for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

(x) the Floating Rate Option is as specified in the applicable Issue Terms;

(y) the Designated Maturity is a period specified in the applicable Issue Terms; and

(z) the relevant Reset Date is the first day of that Interest Accrual Period unless otherwise specified in the applicable Issue Terms.

provided that if a Reference Rate Event has occurred in respect of a Floating Rate, the provisions of Master Condition 9(d) (*Occurrence of a Reference Rate Event*) shall apply. If no Reference Rate Event has occurred but the Calculation Agent determines that such ISDA Rate for an Interest Period cannot be determined in accordance with the ISDA Definitions and the provisions of this Master Condition 7(b)(ii), the ISDA Rate for such Interest Period shall be such rate as is determined by the Calculation Agent in good faith and in a commercially reasonable manner having regard to comparable benchmarks then available.

The Rate of Interest will be subject to a minimum of 0.00 per cent. or greater (as specified in the relevant Issue Terms) and may also be subject to a maximum (as specified in the relevant Issue Terms).

For the purposes of this Master Condition 7(b)(ii), "**Floating Rate**", "**Calculation Agent**", "**Floating Rate Option**", "**Designated Maturity**", "**Reset Date**" and "**Swap Transaction**" have the meanings given to those terms in the ISDA Definitions.

**(c) Change of Interest Basis Notes**

If, in respect of a Note, Change of Interest Basis is specified in the applicable Issue Terms, the Interest Basis in respect of such Note shall change from Fixed Rate to Floating Rate or *vice*

*versa*, as specified in the applicable Issue Terms, on the Interest Period(s) specified in the applicable Issue Terms.

Any such Note:

(i) shall be treated as a Fixed Rate Note for the Interest Period(s) for which the Interest Basis is specified to be Fixed Rate (and, accordingly, Note Condition 7(a) (*Interest on Fixed Rate Notes*) shall apply to any such Note in respect of such Interest Period(s)); and

(ii) shall be treated as a Floating Rate Note for the Interest Period(s) for which the Interest Basis is specified to be Floating Rate (and, accordingly, Note Condition 7(b) (*Interest on Floating Rate Notes*) shall apply to any such Note in respect of such Interest Period(s)).

**(d) Zero Coupon Notes**

Where a Note, the Interest Basis of which is specified in the applicable Issue Terms to be Zero Coupon (such Note, a "**Zero Coupon Note**"), is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount.

**(e) Accrual of Interest**

Interest shall cease to accrue on each Note on the due date for redemption save that if, upon due presentation, payment of the full amount of principal and/or interest due on such due date for redemption is improperly withheld or refused, interest will accrue daily on the unpaid amount of principal and/or interest (after as well as before judgment and regardless of the Interest Basis) from and including the due date for redemption to but excluding the Relevant Date at (i) the overnight rate for deposits in the currency in which the payment is due to be made as determined by the Calculation Agent in its commercially reasonable manner or (ii) such other rate as may be specified for such purposes in the applicable Issue Terms. Such interest (the "**Default Interest**") shall be compounded daily with respect to the overdue sum at the above rate.

**(f) Margin**

If any Margin is specified in the applicable Issue Terms (either (x) generally or (y) in relation to one or more Interest Accrual Periods), then an adjustment shall be made to all Rates of Interest, in the case of (x), or the Rate(s) of Interest for the specified Interest Accrual Period(s), in the case of (y), calculated in accordance with Master Condition 7(b) (*Interest on Floating Rate Notes*) by adding (if a positive number) or subtracting (if a negative number) the absolute value of such Margin, subject always to this Master Condition 7(f).

**(g) Interest payable**

The interest payable in respect of any Note for a relevant period shall be an amount determined by the Calculation Agent equal to the product of the amount of interest payable per Calculation Amount, as determined in accordance with this Master Condition 7(g), and the Calculation Amount Factor of the relevant Note. The amount of interest payable per Calculation Amount in respect of any Note for any Interest Accrual Period shall be equal to the product of the Rate of Interest, the Calculation Amount and the Day Count Fraction for such Interest Accrual Period, unless an Interest Amount (or a formula for its calculation) is applicable to such Interest Accrual Period, in which case the amount of interest payable per Calculation Amount in respect of such

Note for such Interest Accrual Period shall equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable per Calculation Amount in respect of such Interest Period shall be the sum of the Interest Amounts payable in respect of each of those Interest Accrual Periods. In respect of any other period for which interest is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be for the period for which interest is required to be calculated.

## 8 Redemption and Purchase

### (a) Final Redemption

Provided that no Early Redemption Commencement Date or Early Redemption Date has occurred pursuant to any other Condition in respect of a Note, such Note shall become due and payable on the Maturity Date at its Final Redemption Amount or, in the case of a Note to which Master Condition 8(b) (*Redemption by instalments*) applies, its final Instalment Amount.

### (b) Redemption by instalments

Provided that no Early Redemption Commencement Date or Early Redemption Date has occurred pursuant to any other Condition in respect of a Note that provides in the applicable Issue Terms for Instalment Dates and Instalment Amounts, such Note (an "**Instalment Note**") shall be partially redeemed on each Instalment Date at the related Instalment Amount. The outstanding nominal amount of each such Note shall be reduced by the relevant Instalment Amount (or, if such Instalment Amount is calculated by reference to a proportion of the nominal amount of such Note, such proportion) for all purposes with effect from the related Instalment Date, unless payment of the Instalment Amount is improperly withheld or refused, in which case, such amount shall remain outstanding until the Relevant Date relating to such Instalment Amount.

### (c) Redemption following a Collateral Event

*Where the applicable Issue Terms specify that the Collateral Basket Product Supplement is an Applicable Product Supplement, this Master Condition 8(c) shall not apply and the Additional Redemption Events set out in Additional Collateral Basket Conditions 3(b) (Early redemption following a Collateral Event) and 3(c) (Redemption following a Collateral Exhaustion Event) on pages 240 to 243 shall apply instead.*

Provided that no Early Redemption Commencement Date or Early Redemption Date has occurred pursuant to any other Condition in respect of a Note, if the Calculation Agent determines that a Collateral Event has occurred with respect to any Original Collateral and gives notice of such determination (including a description in reasonable detail of the facts relevant to such determination) to the Issuer (copied to the Issuing and Paying Agent, the Trustee and the Swap Counterparty) (the date of such determination being the "**Collateral Event Determination Date**"), then:

(i) as soon as reasonably practicable, and in any event within the Early Redemption Notification Period commencing on (and including) the Collateral Event Determination Date, the Issuer (or the Issuing and Paying Agent on its behalf, having been supplied by the Issuer or the Calculation Agent with the relevant Early Redemption Notice) will give an Early Redemption Notice to the Noteholders of the determination of the Collateral Event (the date of such notice to the Noteholders being the "**Early Redemption**

**Commencement Date**"), including a description in reasonable detail of the facts relevant to such determination, by forwarding with such Early Redemption Notice a copy of the notice delivered by the Calculation Agent with respect to the Collateral Event Determination Date or the information provided therein; and

(ii) each Note shall become due and payable on the related Early Redemption Date at its Early Redemption Amount (which shall be the only amount payable and there will be no separate payment of any unpaid accrued interest thereon), irrespective of whether the relevant Collateral Event is continuing. The payment of such amount shall satisfy all the Issuer's obligations under and in relation to such Note.

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

### (d) Redemption for taxation reasons

(i) Subject to paragraph (ii) below and provided that no Early Redemption Commencement Date or Early Redemption Date has occurred pursuant to any other Condition in respect of all Notes then outstanding (which, for the avoidance of doubt, may have occurred separately pursuant to one or more Master Conditions), the Issuer shall, as soon as is practicable after becoming aware of (whether by notice thereof from the Calculation Agent or otherwise) the occurrence of a Note Tax Event and/or an Original Collateral Tax Event (or, in any case, within two Reference Business Days thereof), give an Early Redemption Notice to the Noteholders and each Note shall become due and payable on the related Early Redemption Date at its Early Redemption Amount (which shall be the only amount payable and there will be no separate payment of any unpaid accrued interest thereon). The date on which such Early Redemption Notice is deemed to have been given shall be an "**Early Redemption Commencement Date**".

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

(I) either the Issuer or the Calculation Agent determines that on the due date for any payment in respect of the Notes, the Issuer will be required by any applicable law 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 an Information Reporting Regime 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;

(II) 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; or

(III) the Issuer determines that any Noteholder, Couponholder or beneficial owner of Notes has failed to provide sufficient forms, documentation or other information in accordance with Master Condition 12(b) (*Provision of information*) such that any payment received or payable by the Issuer may be subject to a deduction or

withholding or the Issuer may suffer a fine or penalty, in each case, pursuant to an Information Reporting Regime,

other than where such event constitutes an Original Collateral Tax Event.

An "**Original Collateral Tax Event**" will occur if the Issuer, in its or the Calculation Agent's determination:

(I) is or will be unable to receive any payment due in respect of any Original Collateral 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;

(II) 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 Original Collateral; and/or

(III) is or will be required to comply with any reporting requirement (other than in respect of FATCA or any other Information Reporting Regime that is not materially more onerous to comply with than FATCA) of any authority of any jurisdiction in respect of any payment received in respect of any Original Collateral,

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 requirements described in sub-paragraphs (I) to (III) of this definition 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 requirements 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 Original Collateral as a result of FATCA shall constitute an Original Collateral Tax Event. For the purposes of this definition, if on the date falling 60 days prior to the earliest date on which FATCA Withholding Tax could apply to payments under, or in respect of sales proceeds of, the relevant Original Collateral (such 60th day prior being the "**FATCA Test Date**"), the Issuer is a "nonparticipating foreign financial institution" or "nonparticipating FFI" (as such terms are used under section 1471 of the 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 Original Collateral in full on the due date therefor without deduction for or on account of any withholding tax and, therefore, an Original Collateral Tax Event will have occurred on the FATCA Test Date.

(ii) 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 (i) above arises solely as a result of any Noteholder's or Couponholder's connection with the jurisdiction of incorporation of the Issuer 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 the amount(s) payable to such Noteholder or Couponholder, and provided that payments to other Noteholders or Couponholders would not be impaired, the Issuer shall

not give an Early Redemption Notice pursuant to paragraph (i) above. Any such deduction shall not constitute an Event of Default under Master Condition 8(l) (*Redemption following the occurrence of an Event of Default*), a Liquidation Event under Master Condition 13 (*Liquidation*) or an Enforcement Event under Master Condition 14 (*Enforcement of Security*).

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

**(e) Redemption following a Trigger Event**

If "Trigger Event" is specified as applicable in the Issue Terms in respect of the relevant Series, provided that no Early Redemption Commencement Date or Early Redemption Date has occurred pursuant to any other Condition in respect of a Note, if the Calculation Agent determines that a Trigger Event has occurred and gives notice of such determination to the Issuer (copied to the Issuing and Paying Agent, the Trustee and the Swap Counterparty) (the date of such determination being the "**Trigger Event Determination Date**"), then:

(i) as soon as reasonably practicable, and in any event within the Early Redemption Notification Period commencing on (and including) the Trigger Event Determination Date, the Issuer (or the Issuing and Paying Agent, having been supplied by the Issuer or the Calculation Agent with an Early Redemption Notice addressed to the Noteholders, on its behalf) will give an Early Redemption Notice to the Noteholders and attach to that a copy of the notice delivered by the Calculation Agent with respect to the Trigger Event Determination Date or include the information provided therein;

(ii) the Trigger Event Determination Date shall be the "**Early Redemption Commencement Date**" (and the Early Redemption Commencement Date may therefore, for the avoidance of doubt, be prior to the date on which an Early Redemption Notice is given to the Noteholders); and

(iii) each Note shall become due and payable on the related Early Redemption Date at its Early Redemption Amount (which shall be the only amount payable and there will be no separate payment of any unpaid accrued interest thereon), irrespective of whether the Trigger Event is continuing on such date.

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

**(f) Redemption for termination of Swap Agreement**

The Issuer shall, as soon as is practicable after becoming aware (whether by notice thereof from the Calculation Agent or otherwise) of the occurrence of a Swap Termination Event (or, in any case, within two Reference Business Days thereof), give an Early Redemption Notice to the Noteholders and each Note in respect of which no Early Redemption Commencement Date or Early Redemption Date has previously occurred pursuant to any other Condition, shall become due and payable on the related Early Redemption Date at its Early Redemption Amount (which shall be the only amount payable and there will be no separate payment of any unpaid accrued interest thereon). The date on which such Early Redemption Notice is deemed to have been given shall be an "**Early Redemption Commencement Date**".

If, prior to the Maturity Date:

(i) pursuant to the terms of the Swap Agreement the Issuer becomes aware that it is able to designate an Early Termination Date in respect of all outstanding Swap Transactions under the Swap Agreement pursuant to the occurrence of a Swap Counterparty Event and such right is then continuing;

(ii) no Early Termination Date has already been designated or occurred in respect of all outstanding Swap Transactions under the Swap Agreement; and

(iii) no Early Redemption Commencement Date or Early Redemption Date has occurred under any other Condition in respect of all Notes outstanding (which, for the avoidance of doubt, may have occurred separately pursuant to one or more Master Conditions),

the Issuer shall, as soon as is practicable after becoming aware of the same, notify the Noteholders in accordance with Master Condition 22 (*Notices*) and the Trustee in writing of the same. Following delivery of such notice from the Issuer, the Trustee shall, if directed by an Extraordinary Resolution and provided that the Trustee shall have been indemnified and/or secured and/or pre-funded to its satisfaction and that no further Early Redemption Commencement Date or Early Redemption Date has occurred pursuant to any other Condition, give notice to the Issuer that the Issuer is to designate an Early Termination Date in respect of all outstanding Swap Transactions under the Swap Agreement.

Subject to the Issuer still having such designation right, the Issuer shall, as soon as reasonably practicable, designate an Early Termination Date in respect of all outstanding Swap Transactions under the Swap Agreement and shall then notify the Noteholders in accordance with Master Condition 22 (*Notices*) and the Trustee in writing of the same. Such notice shall constitute an Early Redemption Notice for purposes of the first paragraph of this Master Condition 8(f).

For the avoidance of doubt, none of the Issuer, the Trustee or the Calculation Agent shall be required to monitor, enquire or satisfy itself as to whether any Swap Termination Event or Swap Counterparty Event has occurred. Neither the Trustee nor the Calculation Agent shall have any obligation, responsibility or liability for giving or not giving any notice thereof to the Issuer or any Secured Creditor. If the Issuer effectively gives a notice to the Trustee and/or the Calculation Agent of the occurrence of a Swap Termination Event or Swap Counterparty Event, the Trustee and/or Calculation Agent, as the case may be, shall be entitled to rely conclusively on such notice without further investigation.

**(g) Redemption for a Counterparty Bankruptcy Credit Event**

The Issuer shall, if directed by an Extraordinary Resolution that a Counterparty Bankruptcy Credit Event has occurred and that a notice of redemption in respect of the Notes is to be given by or on behalf of the Issuer, give an Early Redemption Notice to the Noteholders as soon as is practicable upon being so directed (or, in any case, within two Reference Business Days thereof) and each Note in respect of which no Early Redemption Commencement Date or Early Redemption Date has previously occurred pursuant to any other Condition, shall become due and payable on the related Early Redemption Date at its Early Redemption Amount (which shall be the only amount payable and there will be no separate payment of any unpaid accrued interest thereon). The date on which such Early Redemption Notice is deemed to have been given shall be an "**Early Redemption Commencement Date**".

Notwithstanding anything to the contrary in Master Condition 19 (*Meetings of Noteholders, Modification, Waiver and Substitution*) or the Trust Deed, any holder of a Note then outstanding in respect of which no Early Redemption Commencement Date or Early Redemption Date has previously occurred pursuant to any other Condition, may deliver a request in writing to the Issuer, the Calculation Agent and the Trustee for a meeting of Noteholders to be convened to consider an Extraordinary Resolution to resolve that a Counterparty Bankruptcy Credit Event has occurred and to instruct the Issuer to deliver an Early Redemption Notice in respect of the Notes in respect of which no Early Redemption Commencement Date or Early Redemption Date has previously occurred pursuant to any other Condition. Any such request must (i) describe the Counterparty Bankruptcy Credit Event alleged to have occurred, and (ii) contain information that reasonably confirms that the Counterparty Bankruptcy Credit Event has occurred. Upon receipt of a valid request from a Noteholder satisfying the requirements outlined in the preceding sentence, the Issuer shall convene a meeting of relevant Noteholders in accordance with the provisions of the Trust Deed.

For the avoidance of doubt, none of the Issuer, the Trustee or the Calculation Agent shall be required to monitor, enquire or satisfy itself as to whether any Counterparty Bankruptcy Credit Event has occurred. Neither the Trustee nor the Calculation Agent shall have any obligation, responsibility or liability for giving or not giving any notice thereof to the Issuer or any Secured Creditor. If the Issuer effectively gives a notice to the Trustee and/or the Calculation Agent of the occurrence of a Counterparty Bankruptcy Credit Event, the Trustee and/or Calculation Agent, as the case may be, shall be entitled to rely conclusively on such notice and any related Extraordinary Resolution without further investigation.

**(h) Redemption following an Illegality Event**

The Issuer shall, as soon as is practicable after becoming aware (whether by notice thereof from the Calculation Agent or otherwise) of the occurrence of an Illegality Event (or, in any case, within two Reference Business Days thereof), give an Early Redemption Notice to the Noteholders and each Note in respect of which no Early Redemption Commencement Date or Early Redemption Date has occurred pursuant to any other Condition, shall become due and payable on the related Early Redemption Date at its Early Redemption Amount (which shall be the only amount payable and there will be no separate payment of any unpaid accrued interest thereon). The date on which such Early Redemption Notice is deemed to have been given shall be an "**Early Redemption Commencement Date**".

For the avoidance of doubt, none of the Issuer, the Trustee or the Calculation Agent shall be required to monitor, enquire or satisfy itself as to whether any Illegality Event has occurred.

Neither the Trustee nor the Calculation Agent shall have any obligation, responsibility or liability for giving or not giving any notice thereof to the Issuer or any Secured Creditor. If the Issuer effectively gives notice to the Trustee and/or the Calculation Agent of the occurrence of an Illegality Event, the Trustee and/or Calculation Agent, as the case may be, shall be entitled to rely on such notice without further investigation.

**(i) Redemption following a Reference Rate Event**

If, following the occurrence of a Reference Rate Event, the Calculation Agent determines that:

(i) it cannot identify a Replacement Reference Rate or determine an Adjustment Spread in accordance with Master Condition 9(d) (*Occurrence of a Reference Rate Event*) on or before the Cut-off Date;

(ii) it (x) is or would be unlawful at any time under any applicable law or regulation or (y) would contravene any applicable licensing requirements, for the Calculation Agent perform the actions prescribed in Master Condition 9(d) (*Occurrence of a Reference Rate Event*) (or it would be unlawful or would contravene those licensing requirements were a determination to be made at such time);

(iii) an Adjustment Spread is or would be a benchmark, index or other price source whose production, publication, methodology or governance would subject the Calculation Agent to material additional regulatory obligations (such as the obligations for administrators under the EU Benchmark Regulation); or

(iv) having identified a Replacement Reference Rate and determined an Adjustment Spread on or before the Cut-off Date in accordance with Master Condition 9(d) (*Occurrence of a Reference Rate Event*), the adjustments provided for in Master Condition 9(d) (*Occurrence of a Reference Rate Event*) would not achieve a commercially reasonable result for any of the Calculation Agent, the Issuer or the Noteholders,

then the Calculation Agent shall give notice of such fact to the Issuer (copied to the Issuing and Paying Agent, the Trustee and the Swap Counterparty). The Issuer shall then give an Early Redemption Notice to the Noteholders (which shall describe the relevant determination in paragraphs (i) to (iv) above) as soon as is practicable upon being so notified and each Note of such Series shall become due and payable on the related Early Redemption Date at its Early Redemption Amount, which shall be the only amount payable in respect of such Note (and, for the avoidance of doubt, there will be no separate payment of any unpaid accrued interest thereon). The date on which such Early Redemption Notice is deemed to have been given shall be an "Early Redemption Commencement Date".

**(j) Redemption following a Regulatory Event**

If "Regulatory Event" is specified as applicable in the Issue Terms in respect of the relevant Series, provided that no Early Redemption Commencement Date or Early Redemption Date has occurred pursuant to any other Condition in respect of a Note, if the Calculation Agent determines that a Regulatory Event has occurred and gives notice of such determination to the Issuer (copied to the Issuing and Paying Agent, the Trustee and the Swap Counterparty) (the date of such determination being the "**Regulatory Event Determination Date**"), then:

(i) as soon as reasonably practicable, and in any event within the Early Redemption Notification Period commencing on (and including) the Regulatory Event Determination Date, the Issuer (or the Issuing and Paying Agent having been supplied by the Issuer or

the Calculation Agent with an Early Redemption Notice addressed to the Noteholders, on its behalf) will give an Early Redemption Notice to the Noteholders and attach to that a copy of the notice delivered by the Calculation Agent with respect to the Regulatory Event Determination Date or include the information provided therein;

(ii) the Regulatory Event Determination Date shall be the "**Early Redemption Commencement Date**"; and

(iii) each Note shall become due and payable on the related Early Redemption Date at its Early Redemption Amount, irrespective of whether the Regulatory Event is continuing on such date.

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

**(k) Redemption following an Additional Redemption Event**

If "Additional Redemption Event" is specified as applicable in the Issue Terms in respect of the relevant Series, provided that no Early Redemption Commencement Date or Early Redemption Date has occurred pursuant to any other Condition in respect of a Note, the Issuer shall, as soon as is practicable after becoming aware (whether by notice thereof from the Calculation Agent or otherwise) of the occurrence of an Additional Redemption Event (or, in any case, within two Reference Business Days thereof), give an Early Redemption Notice to the Noteholders and each Note to which such Additional Redemption Event relates shall become due and payable on the related Early Redemption Date at its Early Redemption Amount (which shall be the only amount payable and there will be no separate payment of any unpaid accrued interest thereon). The date on which such Early Redemption Notice is deemed to have been given shall be an "**Early Redemption Commencement Date**".

For the avoidance of doubt, none of the Issuer, the Trustee or the Calculation Agent shall be required to monitor, enquire or satisfy itself as to whether any Additional Redemption Event has occurred. Neither the Trustee nor the Calculation Agent shall have any obligation, responsibility or liability for giving or not giving any notice thereof to the Issuer or any Secured Creditor. If the Issuer effectively gives notice to the Trustee and/or the Calculation Agent of the occurrence of an Additional Redemption Event, the Trustee and/or Calculation Agent, as the case may be, shall be entitled to rely on such notice without further investigation.

**(l) Redemption following the occurrence of an Event of Default**

If any of the following events (each an "**Event of Default**") occurs, provided that no Early Redemption Commencement Date or Early Redemption Date has occurred pursuant to this or any other Condition in respect of all Notes outstanding (which, for the avoidance of doubt, may have occurred separately pursuant to one or more Master Conditions), the Trustee at its discretion may, and if directed by an Extraordinary Resolution shall (provided that the Trustee shall have been indemnified and/or secured and/or pre-funded to its satisfaction), give an Early Redemption Notice to the Issuer that all but not some only of the Notes in respect of which no Early Redemption Commencement Date or Early Redemption Date has previously occurred

pursuant to any other Condition shall become due and payable at the Early Redemption Amount (which shall be the only amount payable and there will be no separate payment of any unpaid accrued interest thereon) on the Early Redemption Date:

(i) default is made for more than 14 days in the payment of any interest or Instalment Amount in respect of any Notes forming part of the Series, other than any interest or Instalment Amount due and payable on the Maturity Date, and other than where any such default occurs as a result of a Collateral Event, a Note Tax Event, an Original Collateral Tax Event, a Swap Termination Event, a Swap Counterparty Event or a Counterparty Bankruptcy Credit Event;

(ii) the Issuer does not perform or comply with any one or more of its other obligations under any Notes forming part of the Series or the Trust Deed which default is incapable of remedy or, if in the opinion of the Trustee such default is capable of remedy, is not in the opinion of the Trustee remedied within 30 days after notice of such default shall have been effectively given to the Issuer by the Trustee; or

(iii) the Issuer: (1) is dissolved (other than pursuant to a consolidation, amalgamation or merger on terms previously approved in writing by the Trustee or sanctioned by an Extraordinary Resolution); (2) admits in writing in a judicial, regulatory or administrative proceeding or filing its inability generally to pay its debts as they become due; (3) save to the extent contemplated in the Trust Deed, makes a general assignment, arrangement, scheme or composition with or for the benefit of the Noteholders, or such a general assignment, arrangement, scheme or composition becomes effective; (4) institutes or has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other similar relief under any bankruptcy or insolvency law or other law affecting creditors' rights, or a petition is presented for its winding up or liquidation, and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition either 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 is not dismissed, discharged, stayed or restrained in each case within 30 days of the institution or presentation thereof; (5) has a resolution passed for its winding up or liquidation (other than pursuant to a consolidation, amalgamation or merger); (6) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for any assets on which the liabilities of the Issuer under the relevant Notes are secured pursuant to the Trust Deed; (7) other than the Trustee (except in circumstances where the Trustee is enforcing the Security pursuant to the Trust Deed) or the Custodian, has a secured party take possession of any assets on which the liabilities of the Issuer under the relevant Notes are secured pursuant to the Trust Deed or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against any assets on which the liabilities of the Issuer under the relevant Notes are secured pursuant to the Trust Deed and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within 30 days thereafter; or (8) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in paragraphs (1) to (7).

For the purposes of the Conditions and the Transaction Documents, in relation to any Events of Default, the date on which the related Early Redemption Notice is deemed to be given shall be an "**Early Redemption Commencement Date**".

The Issuer has undertaken in the Principal Trust Deed that, within ten Business Days of the publication of the Issuer's annual financial statements in each year and within 14 days of any request from the Trustee, it will send to the Trustee a certificate signed by a Director (or by two Directors if the Issuer has more than one Director) to the effect that, having made all reasonable enquiries, to the best of the knowledge, information and belief of the Issuer as at a date not more than five days prior to the date of the certificate, no Event of Default or event or circumstance that could with the giving of notice, lapse of time and/or issue of a certificate, become an Event of Default has occurred since the certification date of the last such certificate or (if none) the date of such Principal Trust Deed or, if such an event had occurred, giving details thereof.

**(m) Redemption following an Early Redemption Commencement Date in respect of certain Class(es) only**

*Where the applicable Issue Terms specify that Classes are applicable in respect of a Series*:

(i) if "Independent Class Early Redemption" is not specified as applicable in such Issue Terms, any Early Redemption Notice delivered in respect of one Class of Notes shall be deemed to also apply to the other outstanding Class(es) of Notes and, accordingly, the Early Redemption Commencement Date shall be applicable to all outstanding Classes of Notes notwithstanding that the Early Redemption Commencement Date did not occur in respect of all Classes of Notes (each Class of Notes, a "**Redeeming Class of Notes**") and all Notes shall be redeemed on the Early Redemption Date by payment to each Noteholder of its Early Cash Redemption Amount; and

(ii) if "Independent Class Early Redemption" is specified as applicable in such Issue Terms, any Early Redemption Notice delivered in respect of one or more Class(es) of Notes shall apply to such Class(es) of Notes only (each such Class of Notes, a "**Redeeming Class of Notes**") and not to all outstanding Classes of Notes and each Redeeming Class of Notes shall be redeemed on its Early Redemption Date by payment to each Noteholder of its Early Cash Redemption Amount.

**(n) Redemption of all Classes following an Enforcement Notice in respect of certain Class(es) of Notes only**

Where the applicable Issue Terms specify that Classes and "Independent Class Early Redemption" apply in respect of a Series (such that certain Class(es) of Notes can redeem early rather than an Early Redemption Commencement Date applying in respect of all outstanding Classes of Notes) and an Enforcement Notice is delivered in respect of any Redeeming Class of Notes:

(i) the Issuer (or the Issuing and Paying Agent on its behalf) will, within five Business Days of the receipt of such Enforcement Notice, give an Early Redemption Notice to the Noteholders of all outstanding Classes of Notes of the relevant Series specifying that (i) an Enforcement Notice has been delivered in respect of another Class of Notes, and (ii) accordingly, all other outstanding Classes of such Series (each, a "**Triggered Class of Notes**") shall redeem early and, as such, the Enforcement Notice delivered in respect

of the Redeeming Class of Notes shall be deemed to apply to the Triggered Class of Notes;

(ii) the date of the Enforcement Notice delivered in respect of the Redeeming Class of Notes shall, for the purposes of each Triggered Class of Notes, be the "**Early Redemption Commencement Date**";

(iii) the Early Redemption Amount in respect of each Triggered Class of Notes shall be determined on a Business Day falling within the period of five Business Days commencing on the Early Redemption Commencement Date;

(iv) each Triggered Note shall become due and payable on the related Early Redemption Date at its Early Cash Redemption Amount; and

(v) notwithstanding paragraph (iv) above, the Trustee shall enforce all of the Security on the Early Redemption Date subject to and in accordance with Master Condition 14(c) (*Enforcement of Security*), and the Noteholders of the Triggered Notes shall be paid (along with, for the avoidance of doubt, the Noteholders of the Redeeming Notes) in accordance with Master Condition 15(b) (*Application of Available Proceeds of enforcement of Security*).

**(o) Definition of Early Redemption Amount**

The "**Early Redemption Amount**" means:

(i) where "**Cash Settlement**" is specified as the Early Redemption Settlement Method or if no method is specified, the Early Cash Redemption Amount; and

(ii) where "**Noteholder Settlement Option**" is specified as the Early Redemption Settlement Method, each Noteholder may, by depositing not later than the third Business Day following the related Early Redemption Notice (or such other period as may be agreed by the Issuer and the Swap Counterparty) (the "**Settlement Option Cut-off Date**"), the relevant Exercised Notes at the Specified Office of the Paying Agent or Transfer Agent, together with an Exercise Notice, elect whether to receive the Early Cash Redemption Amount or the Physical Redemption Amount, provided that, (i) if no valid election is made as to Early Cash Redemption Amount or Physical Redemption Amount by a Noteholder by the Settlement Option Cut-off Date, (ii) if the Pre-Conditions to Delivery are not satisfied by such Noteholder on or prior to the Settlement Option Cut-off Date, (iii) the Collateral is not comprised of any Original Collateral on the Settlement Option Cut-off Date, and/or (iv) if the Noteholder Settlement Option has been exercised by a Sole Noteholder and it is not physically or legally permissible to deliver the Original Collateral to such Sole Noteholder, then each Noteholder will be deemed to (a) have elected for Cash Redemption to apply, and (b) to receive the Early Cash Redemption Amount. For the avoidance of doubt, where the Noteholder Settlement Option has been exercised by a Sole Noteholder and such Sole Noteholder is deemed to have elected to receive the Early Cash Redemption Amount, if such Sole Noteholder has paid to the Swap Counterparty an amount equal to any Termination Payment in respect of the Swap Agreement that is payable by the Issuer to the Swap Counterparty (together, if applicable, with any interest payable thereon) pursuant to the Pre-Conditions to Delivery in Master Condition 8(q)(ii) (*Provisions relating to Physical Redemption Amounts*), such amount shall not be deducted from the Early Cash Redemption Amount in accordance with paragraph (ii)(e) of the definition thereof.

**(p) Suspension of payments**

(i) If the Calculation Agent determines that facts exist which may (assuming the expiration of any applicable grace period) amount to a Collateral Event, no payment of principal or interest shall be made by the Issuer in respect of the Notes during the period of ten Business Days following such determination (the "**Suspension Period**") and the Calculation Agent shall give written notice to the Issuer, the Issuing and Paying Agent, the Trustee and the Noteholders of such determination. If, at any time during the Suspension Period, the Calculation Agent determines that a Collateral Event has occurred, then the provisions of Master Condition 8(c) (*Redemption following a Collateral Event*) shall apply. If, on the final Business Day of the Suspension Period, no such determination has been made, then the balance of the principal or interest that would otherwise have been payable in respect of the Notes shall be due on the second Business Day after such final Business Day of the Suspension Period. Noteholders or Couponholders shall not be entitled to a further payment as a consequence of the fact that such payment of such principal or interest is postponed pursuant to this Master Condition 8(p).

Notwithstanding the foregoing, if the Calculation Agent determines that the circumstances giving rise to such potential Collateral Event have been remedied (if possible) or no longer exist prior to the end of the applicable grace period such that no related Collateral Event has occurred and the Calculation Agent shall give written notice to the Issuer, the Issuing and Paying Agent, the Trustee and the Noteholders of such determination, then the Issuer shall make any payments that would otherwise have been payable in respect of the Notes on the second Business Day following the date on which the Calculation Agent makes such determination. In determining whether a payment failure has (or may have) occurred, the Calculation Agent may rely on evidence of non-receipt of funds.

(ii) If (x) a Reference Rate Event has occurred in respect of a Reference Rate, (y) the Calculation Agent has delivered a Reference Rate Event Notice and (z) the Notes have not yet been redeemed in accordance with Master Condition 8(i) (*Redemption following a Reference Rate Event*):

(A) If the Calculation Agent has been unable to identify a Replacement Reference Rate and/or determine an Adjustment Spread on or prior to the Cut-off Date, and:

(I) a determination is required to be made under the Conditions by reference to the affected Reference Rate (the date on which such determination is required, an "**Interim Reference Rate Calculation Date**"), then no determination shall be made; and

(II) a payment is scheduled to be made under the Notes in respect of which the amount payable is dependent on a determination to be made on an Interim Reference Rate Calculation Date, then no payment (or delivery, if applicable) of principal or interest shall be made by the Issuer in respect of the Notes on the scheduled payment date.

(B) If the Calculation Agent has identified a Replacement Reference Rate and determined an Adjustment Spread in accordance with Master Condition 9(d) (*Occurrence of a Reference Rate Event*) on or prior to the Cut-off Date, then:

(I) the Calculation Agent shall make the determinations that were scheduled to have been made on each Interim Reference Rate Calculation Date, assuming that the Replacement Reference Rate, the Adjustment Spread and the Replacement Reference Rate Amendments specified in the Replacement Reference Rate Notice applied in relation to the Interim Reference Rate Calculation Date. If, for whatever reason, the Replacement Reference Rate is not available on any Interim Reference Rate Calculation Date, the relevant determinations shall be made on the immediately following day on which the Replacement Reference Rate is available (which shall be no later than the Cut-off Date); and

(II) the balance of the principal or interest that would have been payable in respect of the Notes but for paragraph (I) above shall be due on the second Reference Business Day following the Adjustment Date, but determined in accordance with paragraph (A) above. Noteholders and Couponholders shall not be entitled to a further payment as a consequence of the fact that such payment of such principal or interest is postponed pursuant to this Master Condition 8(p).

**(q) Provisions relating to Physical Redemption Amounts**

If an obligation under the Notes in respect of a Series (but not a Class thereof) may be satisfied by the payment of a Physical Redemption Amount:

(i) upon satisfaction of the Pre-Conditions to Delivery the Issuer will cause to be delivered on or as soon as practicable after the date on which such Early Redemption Amount is due, the Physical Redemption Amount for each Note specified in the related Delivery Instruction Certificate, in accordance with the instructions contained therein; and

(ii) a Noteholder will not be entitled to any Physical Redemption Amount unless (a) it has surrendered the relevant Notes (in the case of Bearer Notes) or the Certificate representing such Notes (in the case of Registered Notes) and delivered a Delivery Instruction Certificate at the Issuing and Paying Agent's Specified Office, (b) it has paid all costs and expenses (including any stamp or other taxes) payable in connection with the delivery of the Physical Redemption Amount to such Noteholder, (c) it has represented and warranted that delivery of the same to such Noteholder is permitted by all relevant laws, rules and regulations and the terms of the relevant Remaining Original Collateral, and (d) where such Noteholder is a Sole Noteholder, it has paid into the account of the Swap Counterparty designated in the Swap Agreement the absolute amount of any Termination Payment in respect of the Swap Agreement that is payable by the Issuer to the Swap Counterparty in the Termination Currency (as defined in the Swap Agreement) in freely transferable funds for value within three Business Days of the Early Redemption Commencement Date (the "**Pre-Conditions to Delivery**"), provided that the Calculation Agent (on behalf of the Issuer) may waive the Pre-Conditions to Delivery set out above in paragraphs (b), (c) and/or (d) of this Master Condition 8(q)(ii) and shall bear any cost resulting from such waiver. As receipt for such Note or Certificate, as the case may be, the Issuing and Paying Agent will issue the Noteholder with a stamped, dated copy of such Delivery Instruction Certificate. The records of the Issuing and Paying Agent will be conclusive evidence of any Noteholder's entitlement to a Physical Redemption Amount provided that the Issuing and Paying

Agent shall not be responsible or liable for verifying whether or not the Pre-Conditions to Delivery under paragraph (b), (c) and/or (d) of this Master Condition 8(q)(ii) have been satisfied.

References in the Conditions to satisfaction of obligations by payment of a Physical Redemption Amount shall, in all circumstances, be deemed to include satisfaction of those obligations by delivery of such Physical Redemption Amount.

**(r) Physical Redemption Amounts**

"**Physical Redemption Amount**" means, in respect of each Note outstanding on the relevant Early Redemption Date (where the Physical Redemption Amount is the Early Redemption Amount) or the Maturity Date (where the Physical Redemption Amount is the Final Redemption Amount), as the case may be, in respect of which a Physical Redemption Amount is payable:

(i) such Note's *pro rata* share (amongst only those Notes in respect of which a Physical Redemption Amount is due, each an "**Unrounded Note Entitlement Component**") of an aggregate nominal amount of each Component Collateral comprising the Remaining Original Collateral that is available for delivery after excluding the Non-Physically Deliverable Collateral (if any) relating to the Notes (the "**Available Deliverable Collateral**"), with each such Unrounded Note Entitlement Component being rounded down to the next tradable unit of such Component Collateral (or zero, as applicable) (each, being a "**Note Entitlement**" and the aggregate nominal amount of any rounding down, being the "**Physical Rounding Component**"), provided that where a Noteholder holds more than one Note in respect of which a Physical Redemption Amount is due;

(A) the Calculation Agent shall aggregate the Unrounded Note Entitlement Components in respect of all Notes held by such Noteholder before applying any rounding and shall instead round down such aggregated result to the next tradable unit of such Component Collateral (each, an "**Aggregated Note Entitlement**"); and

(B) a single Physical Rounding Component shall apply in respect of each Component Collateral and all of the Notes of such Noteholder;

(ii) an amount of cash equal to such Note's *pro rata* share (amongst only those Notes in respect of which a Physical Redemption Amount is due) of the Excess Available Deliverable Collateral Proceeds;

(iii) an aggregate amount of cash equal to such Note's *pro rata* share (amongst only those Notes in respect of which a Physical Redemption Amount is due) of each Physical Top-Up Portion; and

(iv) an amount of cash equal to such Note's *pro rata* share (amongst all Notes outstanding on the relevant Early Redemption Date or the Maturity Date) of:

(A) the Specified Currency Proceeds; less

(B) the Non-Physically Deliverable Collateral Proceeds (if any); less

(C) the Excess Available Deliverable Collateral Proceeds (if any); plus

(D) any Termination Payment in respect of the Swap Agreement that is payable to the Issuer (together, if applicable, with any interest payable thereon); less

(E) any Termination Payment in respect of the Swap Agreement that is payable by the Issuer to the Swap Counterparty (together, if applicable, with any interest payable thereon), save that where the holder of the Note is the Sole Noteholder and has paid to the Swap Counterparty an amount equal to any Termination Payment in respect of the Swap Agreement that is payable by the Issuer to the Swap Counterparty (together, if applicable, with any interest payable thereon) pursuant to the Pre-Conditions to Delivery in Master Condition 8(q)(ii) (*Provisions relating to Physical Redemption Amounts*), such amount shall be deemed to be zero.

### (s) Purchases

The Issuer may purchase Notes (provided that all unmatured Receipts and Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise at any price. Such Notes may be held, re-issued, resold or, at the option of the relevant Issuer and subject to the consent of the Trustee surrendered to any Paying Agent or the Registrar for cancellation. The consent of the Trustee in such circumstances shall be dependent upon the Issuer satisfying the Trustee that the Issuer has made arrangements for the realisation of no more than the equivalent proportion of the Collateral and/or for the reduction in the notional amount of the Swap Agreement in connection with the proposed purchase of the Notes, which transactions will leave the Issuer with no assets or net liabilities in respect thereof.

### (t) Cancellation

All Notes purchased by or on behalf of the Issuer shall be surrendered for cancellation, in the case of Bearer Notes, by surrendering each such Note together with all unmatured Receipts and Coupons and all unexchanged Talons to or to the order of the Issuing and Paying Agent and, in the case of Registered Notes, by surrendering the Certificate representing such Notes to or to the order of the Registrar and, in each case, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with all unmatured Receipts and Coupons and all unexchanged Talons attached thereto or surrendered therewith). Any Notes so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

### (u) Effect of redemption, purchase and cancellation

Upon any of the Notes being redeemed or purchased and cancelled, Master Conditions 8(a) (*Final Redemption*) to 8(n) (*Redemption of all Classes following an Enforcement Notice in respect of certain Class(es) of Notes only*) (inclusive) shall no longer apply to such Notes. In addition, and for the avoidance of doubt, Master Conditions 8(c) (*Redemption following a Collateral Event*) to 8(n) (*Redemption of all Classes following an Enforcement Notice in respect of certain Class(es) of Notes only*) (inclusive) shall have no effect on or after the Maturity Date.

## 9 Calculations and Determinations, Rounding and Business Day Convention

### (a) Determination and publication of Rates of Interest, Interest Amounts, any Final Redemption Amount, any Early Redemption Amount and any Instalment Amounts

The Calculation Agent shall, as soon as is practicable on each Interest Determination Date and on each date the Calculation Agent is required to calculate any rate or amount, obtain any quotation or make any determination or calculation under the Conditions or any Transaction

Document, as the case may be, determine such rate and calculate the Interest Amounts for the relevant Interest Accrual Period and Interest Payment Date, calculate the Final Redemption Amount, Early Redemption Amount, Instalment Amount or other amount, obtain such quotation and/or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Accrual Period and the relevant Interest Payment Date and, if required to be calculated, any Final Redemption Amount, Early Redemption Amount, Instalment Amount or other amount, to be notified to the Trustee, the Issuer, each of the Paying Agents, the Noteholders, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are listed on a stock exchange and the rules of such exchange so require, such exchange as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Accrual Period or Interest Period, as the case may be, if determined prior to such time, in the case of notification to such exchange of a Rate of Interest and Interest Amount or (ii) in all other cases, the earlier of the date on which any relevant payment is due (if determined prior to such time) and the fourth Business Day after such determination. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Master Condition 9(i) (*Business Day Convention*), the Interest Amount(s) and the Interest Payment Date(s) so published may subsequently be amended (or appropriate alternative arrangements made with the consent of the Trustee by way of adjustment) without notice in the event of an extension or shortening of the Interest Period.

If in respect of any due date for redemption, payment of the full amount of principal due for redemption is not made, no publication of the rates determined in accordance with this Master Condition 9(a) to be used in the calculation of any Default Interest need be made unless the Trustee notifies the Calculation Agent to the contrary in writing. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent shall (in the absence of manifest error) be final, conclusive and binding upon all Noteholders, Couponholders, Transaction Parties and all other parties. If the Calculation Agent at any time does not make any determination or calculation or take any action that it is required to do pursuant to the Conditions, it shall forthwith notify the Issuer, the Trustee, the Issuing and Paying Agent and the Swap Counterparty.

**(b) Determination or calculation by Trustee**

If the Calculation Agent does not at any time for any reason determine or calculate the Rate of Interest for an Interest Accrual Period or any Interest Amount, any Instalment Amount, the Final Redemption Amount, the Early Redemption Amount or any other amount, then the Trustee, subject to it being indemnified and/or secured and/or prefunded to its satisfaction, may make such determinations and calculations in place of the Calculation Agent (or may appoint an agent on its behalf to do so). Any such determination or calculation so made by the Trustee (or its agent) shall, for the purposes of the Conditions and the Transaction Documents, be deemed to have been made by the Calculation Agent. In doing so, the Trustee shall apply the provisions of the Conditions and/or the relevant Transaction Document(s) with any necessary consequential amendments, to the extent that, in its opinion, it can do so, and, in all other respects it shall do so in such manner as it shall deem fair and reasonable in all the circumstances.

**(c) Rounding**

For the purposes of any calculations required pursuant to the Conditions (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 of a percentage point being rounded up to 0.00001) and (y) all currency amounts that fall due and payable shall be rounded down, if necessary, to the nearest unit of such currency. For these purposes, "unit" means the lowest amount of such currency that is available as legal tender in the country(ies) of such currency (e.g. one cent or one pence).

**(d) Occurrence of a Reference Rate Event**

If the Calculation Agent determines that a Reference Rate Event has occurred in respect of a Series and gives notice of such determination (including a description in reasonable detail of the facts relevant to such determination and specifying the relevant Administrator/Benchmark Event Date, Specified Date, Additional Specified Date, date on which the Reference Rate is or is scheduled to be no longer available following a Reference Rate Cessation, as the case may be, for such Reference Rate Event) to the Issuer (such notice, the "**Reference Rate Event Notice**"), then:

(i) promptly upon receiving the Reference Rate Event Notice, the Issuer shall deliver a notice containing the same details to the Trustee, the Swap Counterparty, the Issuing and Paying Agent, the Custodian and, in accordance with Master Condition 22 (*Notices*), the Noteholders;

(ii) the Calculation Agent shall attempt to identify a Replacement Reference Rate as soon as reasonably practicable;

(iii) the Calculation Agent shall attempt to determine the Adjustment Spread as soon as reasonably practicable;

(iv) if the Calculation Agent identifies a Replacement Reference Rate pursuant to paragraph (ii) above and determines an Adjustment Spread pursuant to paragraph (iii) above:

(A) with effect from the Adjustment Date, the terms of the Notes shall, without the consent of the Noteholders or the Couponholders but subject to Trustee consent being provided in accordance with paragraph (v) below, be amended so that references to the Reference Rate are replaced by references to the Replacement Reference Rate as adjusted by the Adjustment Spread (provided that the Replacement Reference Rate, after application of the Adjustment Spread, may not be less than zero);

(B) with effect from the Adjustment Date, the Calculation Agent shall, without the consent of the Noteholders or the Couponholders but subject to Trustee consent being provided in accordance with paragraph (v) below, make such other adjustments (the "**Replacement Reference Rate Amendments**") to the Conditions (including, but not limited to, any Business Day, Business Day Convention, Day Count Fraction, Default Interest, Interest Determination Date, Interest Amount, Interest Payment Date, Interest Period, Interest Period End Date and Rate of Interest) as it determines necessary or appropriate in order to account for the effect of the replacement of the Reference Rate with the Replacement Reference Rate (as adjusted by the Adjustment Spread) and/or to preserve as

nearly as practicable the economic equivalence of the Notes before and after the replacement of the Reference Rate with the Replacement Reference Rate (as adjusted by the Adjustment Spread); and

(C) the Calculation Agent shall deliver a notice to the Issuer and the Trustee which specifies any Replacement Reference Rate, Adjustment Spread, Adjustment Date and the specific terms of any Replacement Reference Rate Amendments (such notice, the "**Replacement Details Notice**") and, promptly upon receiving the Replacement Details Notice, the Issuer shall deliver a notice containing the same details to the Swap Counterparty, the Issuing and Paying Agent, the Custodian and, in accordance with Master Condition 22 (*Notices*), the Noteholders (such notice, the "**Replacement Reference Rate Notice**"). A Replacement Reference Rate Notice (I) must be delivered at least two London Business Days before the Adjustment Date, (II) shall be irrevocable and (III) shall specify the Adjustment Date;

(v) promptly upon delivering the Replacement Details Notice, the Calculation Agent shall deliver to the Trustee a certificate (such certificate, a "**Replacement Reference Rate Amendments Certificate**"):

(A) confirming (I) that a Reference Rate Event has occurred, (II) the Replacement Reference Rate, (III) the Adjustment Spread and (IV) the specific terms of any Replacement Reference Rate Amendments, in each case as determined in accordance with the provisions of this Master Condition 9(d); and

(B) certifying that the Replacement Reference Rate Amendments are necessary or appropriate in order to account for the effect of the replacement of the Reference Rate with the Replacement Reference Rate (as adjusted by the Adjustment Spread) and/or to preserve as nearly as practicable the economic equivalence of the Notes before and after the replacement of the Reference Rate with the Replacement Reference Rate (as adjusted by the Adjustment Spread).

The Trustee may rely, without further enquiry and with no liability for so doing, on a Replacement Reference Rate Amendments Certificate. Upon receipt of a Replacement Reference Rate Amendments Certificate, the Trustee shall agree to the Replacement Reference Rate Amendments without seeking the consent of the Noteholders or any other party and concur with the Issuer in effecting the amendments described in this Master Condition 9(d)(v) (including, *inter alia*, by the execution of a deed supplemental to or amending the Trust Deed), provided that the Trustee shall not be required to agree to the Replacement Reference Rate Amendments if, in the opinion of the Trustee (acting reasonably), the Replacement Reference Rate Amendments would (I) expose the Trustee to any liability against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction or (II) impose more onerous obligations upon it or expose it to any additional duties or responsibilities or reduce or amend the protective provisions afforded to the Trustee in the Conditions or any Transaction Document for the Series; and

(vi) for the avoidance of doubt, if the Calculation Agent does not identify a Replacement Reference Rate pursuant to paragraph (ii) above or does not determine an Adjustment Spread pursuant to paragraph (iii) above, Master Condition 8(i) (*Redemption following a Reference Rate Event*) shall apply.

Neither the Calculation Agent nor the Trustee shall have any duty to monitor, enquire or satisfy itself as to whether any Reference Rate Event has occurred. The Calculation Agent shall not have any obligation to give, nor any responsibility or liability for giving or not giving, any notice to the Issuer that a Reference Rate Event has occurred. If the Noteholders provide the relevant business unit of the Calculation Agent with details of the circumstances which could constitute a Reference Rate Event, the Calculation Agent will consider such notice, but will not be obliged to determine that a Reference Rate Event has occurred solely as a result of receipt of such notice.

Any Replacement Reference Rate, Adjustment Spread and Replacement Reference Rate Amendments will be binding on the Issuer, the Transaction Parties and the Noteholders.

**(e) Calculation Agent determination standard**

Whenever the Calculation Agent is required to act in any way under Master Condition 9(d) *(Occurrence of a Reference Rate Event)*, it will do so in good faith and in a commercially reasonable manner and in accordance with the provisions of the Agency Agreement.

**(f) Separate application of fallbacks**

If, in respect of a Series, there is more than one Reference Rate, then Master Condition 9(d) *(Occurrence of a Reference Rate Event)* shall apply separately to each such Reference Rate.

**(g) Acknowledgement in respect of Reference Rate modification**

If, in respect of a Series, the definition, methodology or formula for a Reference Rate, or other means of calculating such Reference Rate, is changed, then, unless otherwise specified in the applicable Issue Terms, references to that Reference Rate shall be to the Reference Rate as changed and Noteholders will not be entitled to any form of compensation as a result of such change or modification.

**(h) Determinations and actions**

All calculations and determinations of the Calculation Agent and the Disposal Agent, as applicable under the Conditions shall be made in accordance with the terms of the relevant Conditions having regard in each case to the criteria stipulated therein (if any) and (where relevant) on the basis of information provided to or obtained by the employees or officers of the relevant party responsible for making the relevant calculation or determination.

Notwithstanding anything else in the Conditions, where the terms of the Notes provide that the amount payable at maturity is subject to a minimum amount, no modification to the Conditions may be made by the Issuer to reduce the amount so payable to less than the minimum amount. For the avoidance of doubt, the preceding sentence shall not apply in relation to the rights of the Issuer to modify the Conditions pursuant to Master Condition 19 (*Meetings of Noteholders, Modification, Waiver and Substitution*).

All calculations and determinations made or actions taken under the Conditions by the Calculation Agent and the Disposal Agent shall be made or taken in good faith and acting in a commercially reasonable manner. In making any such determinations under the Conditions, the Calculation Agent and the Disposal Agent may take into account such factors as it determines to be appropriate (including. but not limited to, any circumstances or events which it determines has a material effect on any hedging arrangements entered into by the Issuer (and/or its affiliates)) at any time with respect to the Notes. In the case of each determination

and action made or taken under the Conditions, the Calculation Agent and the Disposal Agent shall take into account the effect of such determination on the Notes and consider whether fair treatment of the Noteholders (but not only individual Noteholders) is achieved by such determination in accordance with its applicable regulatory obligations.

Neither the Calculation Agent nor the Disposal Agent assumes any obligation or relationship of agency or trust or of a fiduciary nature for or with any Noteholder, Couponholder or any other Transaction Party. Nothing in the Conditions shall exclude or restrict any duty or liability arising under the regulatory framework applicable to any person authorised by the FCA.

### (i) Business Day Convention

If any date referred to in the Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.

### (j) Reference Business Day Convention

If any date referred to in the Conditions that is specified to be subject to adjustment in accordance with a Reference Business Day Convention would otherwise fall on a day that is not a Reference Business Day, then, if the Reference Business Day Convention specified is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Reference Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Reference Business Day and (y) each subsequent such date shall be the last Reference Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Reference Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Reference 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 Reference Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Reference Business Day.

## 10 Payments and Talons

### (a) Bearer Notes

Payments of principal and interest in respect of Bearer Notes shall, subject as mentioned below, be made against presentation and surrender of the relevant Receipts (in the case of payments of Instalment Amounts other than on the due date for redemption and provided that the Receipt is presented for payment together with its related Note), Notes (in the case of all

other payments of principal and, in the case of interest, as specified in Master Condition 10(e) (*Unmatured Coupons and Receipts and unexchanged Talons*)) or Coupons (in the case of interest, save as specified in Master Condition 10(e) (*Unmatured Coupons and Receipts and unexchanged Talons*)), as the case may be, at the Specified Office of any Paying Agent outside the United States by transfer to an account denominated in such currency with a Bank nominated by such holder presenting such Bearer Note, Receipts and/or Coupons, as the case may be. "**Bank**" means a bank in the principal financial centre for such currency or in the case of euro in a city in which banks have access to the TARGET System.

**(b) Registered Notes**

(i) Payments of principal (which for the purposes of this Master Condition 10(b) shall include final Instalment Amounts but not other Instalment Amounts) in respect of Registered Notes shall be made against presentation and surrender of the relevant Certificates at the Specified Office of any of the Transfer Agents or of the Registrar and in the manner provided in paragraph (ii) below.

(ii) Interest (which for the purposes of this Master Condition 10(b) shall include all Instalment Amounts other than final Instalment Amounts) on Registered Notes shall be paid to the person shown on the Register at the close of business on the day before the due date for payment thereof (the "**Record Date**"). Payments of interest on each Registered Note shall be made in the relevant currency by transfer to an account nominated by such person shown in the Register in the relevant currency maintained by the payee with a Bank.

(iii) Each payment in respect of Registered Notes represented by a Global Certificate will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the Clearing System Business Day immediately prior to the date for payment, where "**Clearing System Business Day**" means Monday to Friday inclusive except 25 December and 1 January.

**(c) Payments in the United States**

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

**(d) Payments subject to fiscal laws**

All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives in the place of payment. No commission or expenses shall be charged to the Noteholders or the Couponholders in respect of such payments.

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

(i) Upon the due date for redemption of any 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.

(ii) Upon the due date for redemption of any Bearer Note, any unexchanged Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.

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

(iv) Where any Bearer Note that provides that the relative unmatured Receipts and/or Coupons are to become void upon the due date for redemption of these Notes is presented for redemption without all unmatured Receipts, unmatured Coupons, and where any Bearer Note is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provisions of such indemnity as the Issuer may require.

(v) If the due date for redemption of any 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 or Certificate representing it, as the case may be.

(vi) Default Interest on any Note shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Note or Certificate representing it, as the case may be.

**(f) 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 Issuing and Paying Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Master Condition 18 (*Prescription*)).

**(g) Non-Business Days**

If any date for payment (other than an Interest Payment Date) in respect of any Note, Receipt or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. If an Interest Payment Date is not a business day, the holder shall not be entitled to payment nor to any interest or other sum in respect of such postponed payment until the next following business day, except that if the Interest Payment Date would thereby fall into the next calendar month, it shall be brought forward to the immediately preceding business day. In this paragraph, "**business day**" means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in the relevant place of presentation, in such jurisdictions as shall be specified as "Financial Centres" in the applicable Issue Terms and:

(i) (in the case of a payment in a currency other than euro) where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency; or

(ii) (in the case of a payment in euro) which is a TARGET Business Day.

**(h) Suspension of obligations following a Sanctions Event**

Notwithstanding Master Condition 8(h) (*Redemption following an Illegality Event*), if the Calculation Agent determines that on any day any Note, Noteholder, the Issuer, the Collateral, the Collateral Obligor, the Trustee, the Arranger, any Agent, the Dealer and/or the Swap Counterparty:

(i) has become subject to Sanctions; and

(ii) as a result of such Sanctions, it has become unlawful for any of the above-mentioned parties to perform any of their obligations under any of the Transaction Documents (a "**Sanctions Event**"),

the Calculation Agent shall give notice to the Issuer and the Transaction Parties and the Issuer (or the Issuing and Paying Agent on its behalf, having been supplied by the Issuer or the Calculation Agent with the relevant notice shall, following receipt of such notice, to the extent permitted by law, give a notice to the Noteholders of the determination of the Sanctions Event) upon which the affected obligations, including the obligation to make any payments, shall be suspended and remain suspended until the date on which the Calculation Agent notifies the Transaction Parties that it has determined that such Sanctions Event is no longer continuing (such date, the "**Sanctions Event End Date**").

For as long as a Sanctions Event is continuing, all amounts that would otherwise fall due shall, to the extent permitted by the relevant Sanctions, be treated in such manner as the Calculation Agent determines to be appropriate in the circumstances, which may include payment into a suspense account. No interest shall accrue on any such amounts during such suspension.

On the Calculation Agent Business Day following the Sanctions Event End Date, the Calculation Agent shall determine the principal and/or interest amounts (if any) payable to the relevant Noteholders (taking into account, where relevant, the occurrence and effect of any events during the period in which the Sanctions Event was continuing) and such amounts shall be paid by the Issuer five Calculation Agent Business Days following the Sanctions Event End Date.

For the avoidance of doubt, none of the Issuer, the Trustee nor the Calculation Agent shall be required to monitor, enquire or satisfy itself as to whether any Sanctions Event has occurred. Neither the Trustee nor the Calculation Agent shall have any obligation, responsibility or liability for giving or not giving any notice thereof to the Issuer or any Secured Creditor or be liable for any loss occasioned by the occurrence of a Sanctions Event. If the Issuer or the Calculation Agent effectively gives notice to the Trustee of the occurrence of a Sanctions Event, the Trustee shall be entitled to rely on such notice without further investigation.

## 11 Agents

### (a) Appointment of Agents

The Issuing and Paying Agent, the Paying Agents, the Registrar, the Transfer Agents, the Custodian, the Disposal Agent and the Calculation Agent initially appointed by the Issuer and their respective Specified Offices are listed in the applicable Issue Terms. Subject to the provisions of the Agency Agreement, the Issuing and Paying Agent, the Paying Agents, the Registrar, the Transfer Agents, the Custodian, the Disposal Agent and the Calculation Agent act solely as agents of the Issuer and do not assume any obligation or relationship of agency or trust for or with any Noteholder or Couponholder. The Issuer reserves the right at any time with the approval of the Trustee (except that the approval of the Trustee shall not be required for the appointment of a replacement Disposal Agent or Calculation Agent where Noteholders direct the Issuer to appoint such replacement pursuant to this Master Condition) to vary or terminate the appointment of the Issuing and Paying Agent, any other Paying Agent, the Registrar, any Transfer Agent, the Custodian, the Disposal Agent or the Calculation Agent and to appoint additional or other Paying Agents, Transfer Agents, Custodian(s), Disposal Agent(s), Calculation Agent(s) or such other agents as may be required provided that the Issuer shall at all times maintain (i) an Issuing and Paying Agent, (ii) a Registrar in relation to Registered Notes, (iii) a Transfer Agent in relation to Registered Notes, (iv) a Disposal Agent, (v) a Calculation Agent, (vi) a Custodian, (vii) a Paying Agent having its Specified Office in a major European city, and (viii) such other agents as may be required by any other stock exchange on which the Notes may be listed (as applicable), in each case as approved by the Trustee (subject as provided above).

In addition, the Issuer shall forthwith appoint a Paying Agent in New York City in respect of any Bearer Notes denominated in U.S. dollars in the circumstances described in Master Condition 10(c) (*Payments in the United States*).

Notice of any such change or any change of any Specified Office shall promptly be given by the Issuer to the Noteholders in accordance with Master Condition 22 (*Notices*).

### (b) Calculation Agent appointment, termination and replacement

If the Calculation Agent fails duly to establish the Rate of Interest for an Interest Accrual Period or to calculate any Interest Amount, Instalment Amount, Final Redemption Amount or Early Redemption Amount or to make any other calculation or determination required of it under the Conditions or the Agency Agreement or any other Transaction Document, as the case may be, or fails to comply with any other material requirement under the Conditions, the Agency Agreement or any other Transaction Document, and in each case such failure has not been remedied within a reasonable period, or a Calculation Agent Bankruptcy Event occurs, then:

(i) the Issuer shall use reasonable endeavours (provided it has funds available for such purpose) with the prior approval of the Trustee and, provided no Counterparty Bankruptcy Credit Event in relation to the Swap Counterparty or Swap Counterparty Event has occurred, of the Swap Counterparty to appoint a leading bank or financial institution engaged in the interbank market or other appropriate market that is most closely connected with the calculation(s) and/or determination(s) to be made by the Calculation Agent (acting through its principal London office or any other office actively involved in such market) to act as such in its place, provided that the terms of such

appointment are substantially the same as the terms on which the outgoing Calculation Agent is appointed; or

(ii) if a Counterparty Bankruptcy Credit Event or Swap Counterparty Event has occurred, and if the Issuer has been directed by an Extraordinary Resolution that the Issuer appoint a replacement Calculation Agent, provided that such replacement is a financial institution of international repute and the terms of such appointment are substantially the same as the terms on which the outgoing Calculation Agent is appointed and to the extent of any difference to such terms, that such terms do not adversely affect the terms on which the Trustee or any other Agent is appointed, without the prior consent of such adversely affected party and the Issuer has been indemnified and/or secured and/or pre-funded to its satisfaction for any initial or on-going costs, charges, fees and/or expenses the Issuer may incur in connection with the appointment of a replacement Calculation Agent (whether by one or more Noteholders, a Secured Creditor or any other third party), the Issuer shall use reasonable endeavours (provided it has funds available for such purpose) to appoint the person nominated in such Extraordinary Resolution as calculation agent in respect of the Notes.

**(c) Disposal Agent appointment, termination and replacement**

If the Disposal Agent fails duly to establish any rate, amount or value required to be determined by it under the Conditions or any Transaction Document or to take the steps required of it under the Conditions or the Agency Agreement or any other Transaction Document to Liquidate the Collateral, as the case may be, or fails to comply with any other material requirement pursuant to the Conditions, the Agency Agreement or any other Transaction Document, or a Disposal Agent Bankruptcy Event occurs, then:

(i) the Issuer shall use reasonable endeavours (provided it has funds available for such purpose) with the prior written approval of the Trustee and, provided no Counterparty Bankruptcy Credit Event has occurred in relation to the Swap Counterparty, or Swap Counterparty Event has occurred, of the Swap Counterparty to appoint a leading bank or financial institution engaged in the interbank market or other appropriate market to act as such in its place, provided that the terms of such appointment are substantially the same as the terms on which the outgoing Disposal Agent is appointed; or

(ii) if a Counterparty Bankruptcy Credit Event or Swap Counterparty Event has occurred, and if the Issuer has been directed by an Extraordinary Resolution resolving that the Issuer appoint a replacement Disposal Agent, provided that such replacement is a financial institution of international repute and the terms of such appointment are substantially the same as the terms on which the outgoing Disposal Agent is appointed and to the extent of any difference to such terms, that such terms do not adversely affect the terms on which the Trustee or any other Agent is appointed, without the prior consent of such adversely affected party and the Issuer has been indemnified and/or secured and/or pre-funded to its satisfaction for any initial or on-going costs, charges, fees and/or expenses the Issuer may incur in connection with the appointment of a replacement Disposal Agent (whether by one or more Noteholders, a Secured Creditor or any other third party), the Issuer shall use its reasonable endeavours (provided it has funds available for such purpose) to appoint the person nominated in such Extraordinary Resolution as Disposal Agent in respect of the Notes,

provided that where the appointment of the Disposal Agent is terminated as a result of a Bankruptcy Event in respect of the Issuer, the Disposal Agent will no longer be required to liquidate the Mortgaged Property. The Mortgaged Property will be realised in the manner determined by the competent bankruptcy officer in the context of the bankruptcy proceedings.

### (d) Replacement of Custodian and/or Issuing and Paying Agent upon a Ratings Downgrade

Where the applicable Issue Terms specify that "Ratings Downgrade" is applicable in respect of the Custodian and/or Issuing and Paying Agent, clause 20.6 (*Ratings*) of the Agency Agreement shall apply and the "Required Ratings" under the Agency Agreement (the "**Required Ratings**") will, unless otherwise specified in the applicable Issue Terms, be a short-term issuer credit rating higher than or equal to "A-2" by Standard & Poor's and "P-3" by Moody's.

## 12 Taxation

### (a) Withholding or deductions on payments in respect of the Notes

Without prejudice to Master Condition 8(d) (*Redemption for taxation reasons*), all payments in respect of the Notes will be made subject to any withholding or deduction for, or on account of, any present or future taxes, duties or charges of whatsoever nature that the Issuer or any Agent is required by applicable law to make. In that event, the Issuer or such Agent shall make such payment after such withholding or deduction has been made and shall account to the relevant authorities for the amount(s) so required to be withheld or deducted. Neither the Issuer nor any Agent will be obliged to make any additional payments to Noteholders in respect of such withholding or deduction. For the purposes of this Master Condition 12(a), any withholding required by an Information Reporting Regime shall be deemed to be required by applicable law.

### (b) Provision of information

Each Noteholder, Couponholder and beneficial owner of Notes shall, within 10 London Business Days of the Issuer giving a request in accordance with Master Condition 22 (*Notices*) or receipt of a request from any agent acting on behalf of the Issuer, supply to the Issuer and/or any agent acting on behalf of the Issuer such forms, documentation and other information relating to such Noteholder's, Couponholder's or beneficial owner's status under any Applicable Law (including, without limitation, any Information Reporting Regime) or any agreement entered into by the Issuer pursuant thereto as the Issuer and/or any agent acting on behalf of the Issuer reasonably requests for the purposes of the Issuer's or such agent's compliance with such law or agreement and such Noteholder, Couponholder or beneficial owner shall notify the Issuer and/or any agent acting on behalf of the Issuer (as applicable) reasonably promptly if it becomes aware that any of the forms, documentation or other information provided by such Noteholder, Couponholder or beneficial owner is (or becomes) inaccurate in any material respect; provided, however, that no Noteholder, Couponholder or beneficial owner shall be required to provide any forms, documentation or other information pursuant to this Master Condition 12(b) to the extent that:

(i) any such form, documentation or other information (or the information required to be provided on such form or documentation) is not reasonably available to such Noteholder,

Couponholder or beneficial owner and cannot be obtained by such Noteholder, Couponholder or beneficial owner using reasonable efforts; or

(ii) doing so would or might in the reasonable opinion of such Noteholder, Couponholder or beneficial owner constitute a breach of any (A) Applicable Law, (B) fiduciary duty or (C) duty of confidentiality,

and, in each case, such Noteholder, Couponholder or beneficial owner promptly provides written notice to the Issuer and/or any agent acting on behalf of the Issuer (as applicable) stating that it is unable to comply with the Issuer's and/or such agent's request and the reason for such inability to comply.

The Issuer and its duly authorised agents and delegates may disclose the forms, documentation and other information provided to the Issuer and/or any agent acting on behalf of the Issuer (as applicable) pursuant to this Master Condition 12(b) to any taxation or other governmental authority.

For the purposes of this Master Condition 12(b), "**Applicable Law**" shall be deemed to include (a) any rule or practice of any Authority by which the Issuer or any agent on behalf of the Issuer is bound or with which it is accustomed to comply, (b) any agreement between any Authorities and (c) any agreement between any Authority and the Issuer or any agent on behalf of the Issuer that is customarily entered into by institutions of a similar nature.

**(c) Consequential amendments**

Each Noteholder, Couponholder and beneficial owner of the Notes further agrees and consents that, in respect of applicable Information Reporting Regimes, the Issuer may, but is not obliged and owes no duty to any person to, (i) comply with the terms of any intergovernmental agreement between the U.S. and another jurisdiction with respect to FATCA or any legislation implementing such an intergovernmental agreement, (ii) enter into an agreement with the U.S. Internal Revenue Service or (iii) comply with other legislation or agreements under an applicable Information Reporting Regime, in each case, in such form as may be required to avoid the imposition of withholding on payments made to the Issuer, or fines or penalties that would be suffered by the Issuer, under an applicable Information Reporting Regime.

In connection therewith, the Issuer may, without the consent of the Noteholders, the Couponholders or any beneficial owner of the Notes, make such amendments to the Conditions and/or the Transaction Documents (except for the Programme Deed) as it determines necessary to enable the Issuer to enter into, or comply with the terms of, any such agreement or legislation (such amendments, the "**Modifications**"), provided that:

(i) the Modifications are agreed to by each party to the affected Transaction Documents and the Trustee (in each case, such consent not to be unreasonably withheld or delayed);

(ii) the Modifications do not require a special quorum resolution; and

(iii) the Issuer certifies in writing (such certificate, a "**Modifications Certificate**") to the Trustee and each party to the affected Transaction Documents that the Modifications (I) are necessary to avoid the imposition of withholding on payments made to the Issuer, or fines or penalties that would be suffered by the Issuer, under an applicable Information Reporting Regime and (II) do not require a special quorum resolution.

The Trustee may rely, without further enquiry and with no liability for so doing, on a Modifications Certificate. Upon receipt of a Modifications Certificate, the Trustee shall agree to the Modifications without seeking the consent of the Noteholders, provided that the Trustee shall not be required to agree to the Modifications if, in the opinion of the Trustee (acting reasonably), the Modifications would (x) expose the Trustee to any liability against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction or (y) impose more onerous obligations upon it or expose it to any additional duties or responsibilities or reduce or amend the protective provisions afforded to the Trustee in the Conditions or any Transaction Document for the Series.

## 13 Liquidation

### (a) Liquidation Event

Upon the Issuer becoming aware (whether by notice thereof from the Calculation Agent or otherwise) of the occurrence of a Liquidation Event, it shall provide (or shall procure that the Calculation Agent on its behalf provides) a Liquidation Commencement Notice to the Disposal Agent, the Custodian and the Trustee thereof as soon as is reasonably practicable, provided that if at such time there is no Disposal Agent, then if a replacement Disposal Agent is appointed pursuant to Master Condition 11 (*Agents*), such notice shall be provided to such replacement Disposal Agent (if any) upon its appointment as Disposal Agent.

Where a Liquidation Commencement Notice is not in respect of all Notes outstanding, it shall specify any relevant Early Redeeming Class(es) of Notes to which it relates.

The Disposal Agent shall not be required to monitor, enquire or satisfy itself as to whether a Liquidation Event has occurred in respect of a Series or a Class thereof, if applicable. Prior to receipt by it of a Liquidation Commencement Notice in respect of a Series or a Class thereof, if applicable, the Disposal Agent may assume that no such event has occurred.

The Trustee shall not be required to monitor, enquire or satisfy itself as to whether any Liquidation Event has occurred or to calculate any Early Redemption Amount and shall have no obligation, responsibility or liability for giving or not giving any notice thereof to the Issuer, the Disposal Agent or any other Secured Creditor. The Trustee shall be entitled to rely on any notice given by the Issuer, the Disposal Agent or any other person on their behalf without further enquiry or investigation and without any liability for so relying. The Disposal Agent shall not be regarded as acting as the agent of the Trustee in any circumstances and the Trustee shall not incur any liability to any person in respect of any acts or omissions or the exercise of any discretion by the Disposal Agent. The Trustee shall have no responsibility or liability for the performance or any failure or delay in the performance by the Disposal Agent under the Agency Agreement or the Conditions in relation to any Series or for the payment of any commissions or expenses charged by it or for any failure by the Disposal Agent to account for the proceeds of any Liquidation of Collateral or Affected Class Collateral, as applicable, in accordance with the Agency Agreement and the Conditions.

The Disposal Agent shall be entitled to rely on a Liquidation Commencement Notice without investigation of whether the relevant Liquidation Event has occurred.

Any Liquidation Commencement Notice delivered by the Issuer or the Trustee shall not be valid and the Disposal Agent shall not take any action in relation thereto if the Disposal Agent has

already received (i) a valid Liquidation Commencement Notice in respect of the same or a prior Liquidation Event or (ii) a valid Enforcement Notice from the Trustee.

**(b) Liquidation process**

Following receipt by it of a valid Liquidation Commencement Notice the Disposal Agent shall on behalf of the Issuer, so far as is practicable in the circumstances and to the extent that the relevant Collateral (or, where applicable, Class Collateral) is outstanding:

(i) subject to paragraphs (iii) and (iv) below, where the Early Redemption Settlement Method specified in the applicable Issue Terms is (a) "Cash Settlement" and the applicable Issue Terms do not specify that Classes apply or (b) "Noteholder Settlement Option" and all Noteholders have elected or have been deemed to have elected to receive the Early Cash Redemption Amount, effect a Liquidation of the Collateral commencing on the Liquidation Commencement Date with a view to Liquidating all the Collateral on or prior to the Early Valuation Date or the third Reference Business Day prior to the Relevant Payment Date, as applicable, and provided that the Disposal Agent and the Issuer shall have no liability if the Liquidation of all Collateral has not been effected by such date. If the Collateral has not been Liquidated in full by such date, the Disposal Agent shall continue in its attempts to effect a Liquidation of the Collateral until such time (if any) as it is instructed by the Issuer to the contrary or until it receives a valid Enforcement Notice from the Trustee;

(ii) where the Early Redemption Settlement Method specified in the applicable Issue Terms is "Noteholder Settlement Option" and one or more of the Noteholders has not elected nor been deemed to have elected to receive the Early Cash Redemption Amount, effect a Liquidation of the Collateral commencing on the Liquidation Commencement Date in the following manner:

(1) first, by Liquidating, as soon as reasonably practicable, an amount of Collateral (other than Original Collateral) sufficient to satisfy the obligations of the Issuer ranking in priority to the Noteholders pursuant to Master Condition 15(a) (*Application of Available Proceeds or Affected Class Collateral Proceeds of Liquidation*);

(2) secondly, to the extent the proceeds available following a Liquidation under sub-paragraph (1) above are insufficient to satisfy the obligations of the Issuer ranking in priority to the Noteholders pursuant to Master Condition 15(a) (*Application of Available Proceeds or Affected Class Collateral Proceeds of Liquidation*), by Liquidating, as soon as reasonably practicable, an amount of Original Collateral sufficient to satisfy the remainder of such obligations (the amount of Original Collateral comprising Collateral following such Liquidation, the "**Remaining Original Collateral**");

(3) thirdly, by Liquidating all Non-Physically Deliverable Collateral together with any Excess Available Deliverable Collateral on or prior to the Early Valuation Date or the third Reference Business Day prior to the Relevant Payment Date, as applicable; and

(4) fourthly, by liquidating any remaining Collateral other than the Original Collateral comprised in any Physical Redemption Amount payable in respect of one or more of the Notes,

and provided (x), in each case, that the Disposal Agent shall have no liability if the Liquidation of all such Collateral has not been effected by the date or within the times specified above, and (y) if any Collateral that is required to be Liquidated has not been so Liquidated in full by the date or within the times specified above, the Disposal Agent shall continue in its attempts to effect a Liquidation of such Collateral until such time (if any) as it is instructed by the Issuer to the contrary or until receiving a valid Enforcement Notice from the Trustee;

(iii) where the applicable Issue Terms specify that Liquidation Parameters are applicable, for the purpose of paragraph (i) above:

(1) the Disposal Agent shall seek to Liquidate all of the Collateral as soon as reasonably practicable, and in any event within five Business Days, following the relevant Early Redemption Commencement Date (the "**Target Liquidation Period**"); and

(2) the Disposal Agent shall request up to five Quotation Dealers to provide its all-in, firm executable bid price (a "**Quotation**") in the Base Currency to purchase the Collateral on a day within the Target Liquidation Period, and it shall sell the Collateral on such a date to the Quotation Dealer who provides the highest Quotation, save that where no Quotations are obtained, the Disposal Agent shall determine the value of the Collateral,

and, for the avoidance of doubt, where the Target Liquidation Period and/or the number of Quotations to be obtained differ from those specified above, the relevant Liquidation Parameters shall be set out in the applicable Issue Terms; and

(iv) for the purpose of paragraphs (i)(a) and (iii) above, if (a) the applicable Issue Terms specify that Classes apply in respect of a Series and (b) a valid Liquidation Commencement Notice relates to one or more Early Redeeming Class(es), then references to effecting a Liquidation of the Collateral shall be treated as being references to a Liquidation of each of the Affected Class Collateral relating to the relevant Early Redeeming Class(es) only, each constituent of which shall, where so required, be rounded up to the nearest tradable unit(s) of Original Collateral (the aggregate nominal amount of such rounding up in respect of the relevant Affected Class Collateral, being the "**Affected Collateral Rounding Component**").

The Disposal Agent may take such steps as it considers appropriate in order to effect any such Liquidations, including but not limited to selecting the method of Liquidating any Collateral or Affected Class Collateral, as applicable. The Disposal Agent must effect any Liquidation as soon as reasonably practicable within the available timeframe, even where a larger amount could possibly be received in respect of such Collateral if any such Liquidation were to be delayed. Subject to such requirement, the Disposal Agent shall be entitled to effect any Liquidation by way of one or multiple transactions on a single or multiple day(s). In accordance with the terms of the Trust Deed and Master Condition 5(d) (*Disposal Agent's right following Liquidation Event*), following the occurrence of a Liquidation Event and effective delivery of a valid Liquidation Commencement Notice, the Security shall be released without further action on the part of the Trustee to the extent necessary for the Disposal Agent to effect the Liquidation of the Collateral or Affected Class Collateral, as applicable. Nothing in this Master Condition 13(b) or Master Condition 5(d) (*Disposal Agent's right following Liquidation Event*) will operate to release the charges and other security interests over the proceeds of the Liquidation of the

Collateral. The Disposal Agent shall not be liable to the Issuer, the Trustee, the Swap Counterparty, the Noteholders, the Couponholders, holders of Receipts or any other person merely because a larger amount could have been received had any such Liquidation been delayed or had the Disposal Agent selected a different method of Liquidating any such Collateral or Affected Class Collateral, as applicable, provided that the Disposal Agent has complied with its duty to act in good faith and a commercially reasonable manner.

In the event that there is more than one Component Collateral, the Disposal Agent shall (i) determine which Component Collateral to Liquidate in order to satisfy its obligations under this Master Condition 13(b), and (ii) not be liable for any such determination or decision or the timing thereof, provided that it has acted in good faith and a commercially reasonable manner.

In determining whether or not to take any action as a result of a determination that a Liquidation Event has occurred, the Disposal Agent (i) shall have complete discretion, (ii) shall have no duty or obligation to the Issuer, any Noteholder, any Couponholder or any other person to take any such action or make any such determination and (iii) shall not be liable for any such determination or decision or the timing thereof, provided that it has acted in good faith and a commercially reasonable manner.

### (c) Proceeds of Liquidation

The Disposal Agent shall not be liable:

(i) to account for anything except actual proceeds of the Collateral received by it (after deduction of the amounts (if any) described in Master Condition 13(d) (*Costs and expenses*)) and which shall, upon receipt, automatically become subject to the Security created by the Trust Deed; or

(ii) for any taxes, costs, charges, losses, damages, liabilities, fees, commissions or expenses arising from or connected with any Liquidation or from any act or omission in relation to the Collateral or otherwise unless such taxes, costs, charges, losses, damages, liabilities or expenses shall be caused by its own negligence, fraud or wilful default.

In addition, the Disposal Agent shall not be obliged to pay to the Issuer, any Transaction Party, any Noteholder or any Couponholder, interest on any proceeds from any Liquidation held by it at any time.

### (d) Costs and expenses

The Issuer acknowledges that in effecting the Liquidation, Liquidation Expenses may be incurred. The Issuer agrees that any such Liquidation Expenses shall be borne by the Issuer and that the Disposal Agent shall only be required to remit the proceeds of such Liquidation net of such Liquidation Expenses. Where the Disposal Agent makes such net remittance to the Issuer but has itself received the relevant payment on a gross basis, the Disposal Agent agrees to apply the relevant amount retained by it in payment of such Liquidation Expense.

"**Liquidation Expenses**" means (i) any taxes and (ii) any reasonable transaction fees or commissions applicable to such Liquidation, including any brokerage or exchange commissions, provided that such transaction fees or commissions are limited to and no higher than those that would necessarily and routinely be charged by the third party market participant to whom such fees or commissions are payable for a sale transaction of that type to third parties on an arm's length basis. Save for such reasonable transaction fees or commissions,

Liquidation Expenses shall not include any fee charged by, or any other amounts owed to, the Disposal Agent for the performance of its duties specified in, or incidental to, the Conditions (the "**Disposal Agent Fees**"). Such Disposal Agent Fees shall be paid to the Disposal Agent in accordance with Master Condition 15 (*Application of Available Proceeds or Affected Class Collateral Proceeds*).

In addition, the Disposal Agent shall not be obliged to pay to the Issuer, any Transaction Party, any Noteholder or any Couponholder, interest on any proceeds from any Liquidation held by it at any time.

**(e) Good faith of Disposal Agent**

In effecting any Liquidation, the Disposal Agent shall act in good faith and, subject as provided above and without prejudice to Master Condition 9 (*Calculations and Determinations, Rounding and Business Day Convention*), in respect of any sale, early repayment, early redemption or agreed termination in respect of the Collateral or Affected Class Collateral, as applicable, shall agree a price that it reasonably believes to be representative of or better than the price available in the market for the sale of such Collateral or Affected Class Collateral, as applicable in the appropriate size taking into account the total amount of Collateral or Affected Class Collateral, as applicable to be sold, repaid, redeemed or terminated.

**(f) Disposal Agent to use all reasonable care**

The Disposal Agent shall use all reasonable care in the performance of its duties but shall not be responsible for any loss or damage suffered by any party as a result thereof save that the Disposal Agent's liability to the Issuer shall not be so limited where the loss or damage results from negligence, wilful default or fraud of the Disposal Agent.

**(g) Consultations on legal matters**

The Disposal Agent may consult on any legal matter any reputable legal adviser of international standing selected by it, who may be an employee of the Disposal Agent or adviser to the Issuer, and it shall not be liable in respect of anything done or omitted to be done relating to that matter in good faith in accordance with that adviser's opinion.

**(h) Reliance on documents**

The Disposal Agent shall not be liable in respect of anything done or suffered by it in reliance on a document it reasonably believed to be genuine and to have been signed by the proper parties or on information to which it should properly have regard and which it reasonably believed to be genuine and to have been originated by the proper parties.

**(i) Entry into contracts and other transactions**

The Disposal Agent may enter into any contracts or any other transactions or arrangements with any of the Issuer, any other Transaction Party, any Noteholder, any Couponholder or any Collateral Obligor or any Affiliate of any of them (whether in relation to the Notes, the Collateral, the Security, an Obligation or any other transaction or obligation whatsoever) and may hold or deal in or be a party to the assets, obligations or agreements of which the relevant Collateral forms a part and other assets, obligations or agreements of any Collateral Obligor in respect of the Collateral. The Disposal Agent shall not be required to disclose any such contract, transaction or arrangement to any Noteholder, any Couponholder or other Transaction Party and shall be in no way accountable to the Issuer or (save as otherwise provided in the Agency

Agreement and the Conditions) to any Noteholder, any Couponholder or any other Transaction Party for any profits or benefits arising from any such contract(s), transaction(s) or arrangement(s) and shall resolve any conflict of interest arising out of or in relation thereto in such manner as it deems appropriate, in its discretion.

**(j) Illegality**

The Disposal Agent shall not be liable to effect a Liquidation of any of the Collateral or Affected Class Collateral, as applicable if it determines, in its discretion, that any such Liquidation of some or all of the Collateral or Affected Class Collateral, as applicable in accordance with this Master Condition 13 (*Liquidation*) would or might require or result in a violation of any applicable law or regulation of the jurisdiction in which the Issuer is domiciled or any other relevant jurisdiction, including any insolvency prohibition or moratorium on the disposal of assets, or that for any other reason it is not possible for it to dispose of the Collateral or Affected Class Collateral, as applicable (even at zero), and the Disposal Agent notifies the Issuer and the Trustee of the same.

**(k) Sales to Affiliates**

In effecting any Liquidation, the Disposal Agent may sell any Collateral to Affiliates of itself or Affiliates of the Swap Counterparty provided that the Disposal Agent sells at a price that it acting in good faith and a commercially reasonable manner believes to be a fair market price.

**(l) Notification of Enforcement Event**

Upon the Trustee effectively giving a valid Enforcement Notice to the Disposal Agent following the occurrence of an Enforcement Event, the Disposal Agent shall cease to effect any further Liquidation of any Collateral and shall take no further action to Liquidate any Collateral or Affected Class Collateral, as applicable, save that any transaction entered into in connection with the Liquidation on or prior to the effective date of any such Enforcement Notice shall be settled and the Disposal Agent shall take any steps and actions necessary to settle such transaction and/or which is incidental thereto.

**(m) Transfer of Collateral to Custodian**

Subject to Master Condition 13(k) (*Sales to Affiliates*) above, in effecting any Liquidation, the Disposal Agent may sell any Collateral or Affected Class Collateral, as applicable to itself (subject to Master Condition 13(l) (*Notification of Enforcement Event*)) or to any of its Affiliates, provided that the price for such Collateral is paid to the Custodian or to the order of the Issuer. The Disposal Agent shall not have the right to transfer the Collateral or Affected Class Collateral, as applicable to itself or to any of its Affiliates other than in connection with a sale thereof to itself or one of its Affiliates, as applicable, and provided that such sale is executed on a delivery versus payment basis.

Notwithstanding the immediately preceding paragraph, if the Disposal Agent has reasonable grounds to believe that a Bankruptcy Event has occurred with respect to the Custodian and it has not received contrary orders from the Issuer it shall make arrangements for any such price for the Collateral or Affected Class Collateral, as applicable to instead be paid to the Issuing and Paying Agent, provided that, if it also has reasonable grounds to believe that a Bankruptcy Event has also occurred with respect to the Issuing and Paying Agent, it shall retain and hold such net proceeds of Liquidation to the order of the Issuer and subject to the Security created by the Trust Deed.

## 14 Enforcement of Security

### (a) Trustee to enforce Security

At any time after the Trustee becomes aware of the occurrence of an Enforcement Event (which may, for the avoidance of doubt, where the relevant Series of Notes comprises Classes, relate to one or more (but not all) Classes of Notes), it may and if requested by holders of at least one-fifth in nominal amount of the Notes of the relevant Series (or Class thereof) then outstanding, directed by an Extraordinary Resolution or directed in writing by the Swap Counterparty, shall (provided in each case that the Trustee shall have been indemnified and/or secured and/or pre-funded to its satisfaction and provided that the Trustee has effectively delivered a valid Enforcement Notice to the Issuer, the Custodian and the Disposal Agent) enforce all of the Security constituted by the Trust Deed and/or any other Security Documents (if applicable).

### (b) Enforcement Notice

Prior to taking any steps to enforce the Security, the Trustee shall notify the Issuer, the Custodian and any Disposal Agent appointed at that time (such notice being an "**Enforcement Notice**") that (i) the Trustee intends to enforce the Security constituted by the Trust Deed and/or any other Security Documents (if applicable) and (ii) the Disposal Agent is to cease to effect any further Liquidation of the Collateral (if such Liquidation is taking place) save that any transaction entered into in connection with the Liquidation on or prior to the effective date of such Enforcement Notice shall be settled and the Disposal Agent shall take any steps and actions necessary to settle such transaction and/or that are incidental thereto.

### (c) Enforcement of Security

In order to enforce the Security the Trustee may:

(i) sell, call in, collect and convert the Mortgaged Property into money in such manner and on such terms as it shall think fit, and the Trustee may, at its discretion, take possession of all or part of the Mortgaged Property over which the Security shall have become enforceable;

(ii) take such action, step or proceeding against any Collateral Obligor as it deems appropriate but without any liability to the Noteholders or Couponholders or any other Secured Creditor as to the consequence of such action and without having regard to the effect of such action, step or proceeding on individual Noteholders or Couponholders or any other Secured Creditor; and

(iii) take any such other action or step or enter into any such other proceedings as it deems appropriate (including, without limitation, taking possession of all or any of the Mortgaged Property and/or appointing a receiver) as are permitted under the terms of the Trust Deed and/or any other Security Documents (if applicable).

The Trustee shall not be required to take any action, step or proceeding in relation to the enforcement of the Security without first being indemnified and/or secured and/or pre-funded to its satisfaction.

## 15 Application of Available Proceeds or Affected Class Collateral Proceeds

### (a) Application of Available Proceeds or Affected Class Collateral Proceeds of Liquidation

The Issuer shall, on each Issuer Application Date, apply the Available Proceeds or the Affected Class Collateral Proceeds, as applicable, as they stand on such date as follows:

(i) first, where immediately prior to the associated termination of the Swap Agreement, the Swap Counterparty's Credit Support Balance (if any, in its capacity as Transferor under the Credit Support Annex) was greater than zero, an amount (as determined by the party responsible for determining such amounts under the Swap Agreement and such amount being a "**CSB Return Amount**") equal to the lesser of (A) the Available Proceeds or Affected Class Collateral Proceeds, as applicable (B) the value of the Swap Counterparty's Credit Support Balance (or the relevant portion thereof where not all outstanding Classes, if applicable, are redeeming) that was used in determining the Early Termination Amount payable under the Swap Agreement and (C) the value of the amounts owing to the Swap Counterparty under the Swap Agreement, if any, which shall be deemed to be zero if no such amounts are owing (the excess of the value defined in (C) above the value defined in (B), if any, the "**Remaining Swap Counterparty Claim Amount**") shall be paid to the Swap Counterparty;

(ii) secondly, in payment or satisfaction of any taxes owing by the Issuer;

(iii) thirdly, in payment or satisfaction of any fees, costs, charges, expenses and liabilities of the Trustee under the Trust Deed and the other Transaction Documents (including any taxes required to be paid, legal fees and the Trustee's remuneration);

(iv) fourthly, *pari passu*, in payment of (I) any amounts owing to the Custodian for reimbursement in respect of payments properly made by it in accordance with the terms of the Agency Agreement relating to sums receivable on or in respect of the relevant Mortgaged Property, (II) any amounts owing to the Issuing and Paying Agent for reimbursement in respect of payments properly made by it in accordance with the terms of the Agency Agreement to any person in discharge of a Secured Payment Obligation and (III) any fees, costs, charges, expenses and liabilities then due and payable to the Agents under the Agency Agreement;

(v) fifthly, in payment or satisfaction of any Disposal Agent Fees;

(vi) sixthly, *pari passu* in payment of any amounts owing to the Swap Counterparty under the Swap Agreement (which, to the extent that a CSB Return Amount has been paid to the Swap Counterparty in accordance with this Master Condition 15(a), shall be limited to the Remaining Swap Counterparty Claim Amount), provided that where:

(1) the Swap Agreement (or any relevant Swap Transactions thereunder) has not been subject to a designation or occurrence of an Early Termination Date; and

(2) in addition to amounts owing to the Swap Counterparty under the Swap Agreement there are also amounts that are owed by the Swap Counterparty under the Swap Agreement and which remain unpaid or there are obligations that were required to be settled by delivery from the Swap Counterparty to the Issuer and which have not been so settled,

there shall be no payment to the Swap Counterparty under this limb and no payment to any person ranking junior to the Swap Counterparty under this Master Condition 15(a) until such time as an Early Termination Date has been designated or occurred and the Termination Payment determined;

(vii) seventhly, in payment or satisfaction of the Series' share of Corporate Services Provider Fees owing by the Issuer;

(viii) eighthly, *pari passu* in payment of (I) any Early Redemption Amount then due and payable, (II) any Final Redemption Amount then due and payable and/or (III) any interest or Instalment Amount that became due and payable on the Maturity Date and that remains due and payable, as applicable, and, in each case, any interest accrued thereon (which, for the avoidance of doubt, shall include Default Interest) to the holders of Notes (or any Class thereof); and

(ix) ninthly, in payment rateably of the Residual Amount to the holders of Notes (or any Class thereof),

save that no such application shall be made at any time following an Enforcement Notice having been effectively delivered by the Trustee following the occurrence of an Enforcement Event.

Any Secured Creditor that has a claim in respect of more than one Secured Payment Obligation may rank differently in respect of each Secured Payment Obligation.

If, following the Initial Issuer Application Date, the Issuer receives any sum from the Mortgaged Property, the Issuer shall send a notice to the Trustee, the Issuing and Paying Agent, the Disposal Agent (where there is one) and the Swap Counterparty of the same as soon as is reasonably practicable upon receiving any such sum.

**(b) Application of Available Proceeds of enforcement of Security**

Subject to and in accordance with the terms of the Security Documents, with effect from the date on which any valid Enforcement Notice is effectively delivered by the Trustee following the occurrence of an Enforcement Event, the Trustee will hold the Available Proceeds received by it under the Trust Deed on trust to apply them as they stand on each Trustee Application Date as follows:

(i) first, where immediately prior to the associated termination of the Swap Agreement, the Swap Counterparty's Credit Support Balance (if any, in its capacity as Transferor under the Credit Support Annex) was greater than zero, an amount (as determined by the Swap Counterparty or the party responsible for determining such amounts under the Swap Agreement and such amount being a "**CSB Return Amount**") equal to the lesser of (A) the Available Proceeds (B) the value of the Swap Counterparty's Credit Support Balance that was used in determining the Early Termination Amount payable under the Swap Agreement and (C) the value of the amounts owing to the Swap Counterparty under the Swap Agreement, if any, which shall be deemed to be zero if no such amounts are owing (the excess of the value defined in (C) above the value defined in (B), if any, the "**Remaining Swap Counterparty Claim Amount**") shall be paid to the Swap Counterparty;

(ii) secondly, in payment or satisfaction of any taxes owing by the Issuer;

(iii) thirdly, in payment or satisfaction of any fees, costs, charges, expenses and liabilities of the Trustee or any receiver in preparing and executing the trusts and carrying out its functions under the Trust Deed and the other Transaction Documents (including any taxes required to be paid, legal fees, the cost of realising any Security and the Trustee's remuneration);

(iv) fourthly, *pari passu*, in payment of (I) any amounts owing to the Custodian for reimbursement in respect of payments properly made by it in accordance with the terms of the Agency Agreement relating to sums receivable on or in respect of the relevant Collateral, (II) any amounts owing to the Issuing and Paying Agent for reimbursement in respect of payments properly made by it in accordance with the terms of the Agency Agreement to any person in discharge of a Secured Payment Obligation and (III) any fees, costs, charges, expenses and liabilities then due and payable to the Agents under the Agency Agreement;

(v) fifthly, in payment or satisfaction of any Disposal Agent Fees;

(vi) sixthly, *pari passu* in payment of any amounts owing to the Swap Counterparty in accordance with Master Condition 15(b) above under the Swap Agreement (which, to the extent that a CSB Return Amount has been paid to the Swap Counterparty, shall be limited to the Remaining Swap Counterparty Claim Amount), provided that where:

(1) the Swap Agreement has not been subject to a designation or occurrence of an Early Termination Date; and

(2) in addition to amounts owing to the Swap Counterparty under the Swap Agreement there are also amounts that are owed by the Swap Counterparty under the Swap Agreement and which remain unpaid or there are obligations that were required to be settled by delivery from the Swap Counterparty to the Issuer and which have not been so settled,

there shall be no payment to the Swap Counterparty under this limb and no payment to any person ranking junior to the Swap Counterparty under this Master Condition 15(b) until such time as an Early Termination Date has been designated or occurred and the Termination Payment determined;

(vii) seventhly, in payment or satisfaction of the Series' share of Corporate Services Provider Fees owing by the Issuer;

(viii) eighthly, *pari passu* in payment of (I) any Early Redemption Amount then due and payable, (II) any Final Redemption Amount then due and payable and/or (III) any interest or Instalment Amount that became due and payable on the Maturity Date and that remains due and payable, as applicable, and, in each case, any interest accrued thereon (which, for the avoidance of doubt, shall include Default Interest) to the holders of Notes (or any Class thereof); and

(ix) ninthly, in payment rateably of the Residual Amount to the holders of Notes (or any Class thereof).

Any Secured Creditor that has a claim in respect of more than one Secured Payment Obligation may rank differently in respect of each Secured Payment Obligation.

If the amount of moneys available to the Trustee for payment in respect of the Notes under this Master Condition 15(b) at any time following delivery by the Trustee of an Enforcement Notice

in accordance with the Conditions, other than where the Mortgaged Property has been exhausted, amount to less than 10 per cent. of the nominal amount of the Notes then outstanding, the Trustee shall not be obliged to make any payments under this Master Condition 15(b) and shall, place such amounts on deposit as provided in Master Condition 15(c) (*Deposits*) below and shall retain such amounts and accumulate the resulting income until the amounts and the accumulations, together with any other funds for the time being under the Trustee's control and available for such payment, amount to at least 10 per cent. of the nominal amount of the Notes then outstanding and then such amounts and accumulations (after deduction of, or provision for, any applicable taxes and negative interest) shall be applied as specified in this Master Condition 15(b).

**(c) Deposits**

Moneys held by the Trustee shall be deposited in its name in a non-interest bearing account at such bank or other financial institution as the Trustee may, acting in good faith and in a commercially reasonable manner and in its absolute discretion, think fit. The parties acknowledge and agree that notwithstanding that such account is intended to be a non-interest-bearing account in the event that the interest rate in respect of certain currencies is a negative value, the application thereof would result in amounts being debited from funds held by such bank or financial institution ("**negative interest**").

**(d) Insufficient proceeds**

If, following a Liquidation Event or an Enforcement Event, the available cash sums pursuant to Master Condition 15(a) (*Application of Available Proceeds or Affected Class Collateral Proceeds of Liquidation*) or 15(b) (*Application of Available Proceeds of enforcement of Security*) or assets available for delivery, as the case may be, are insufficient for the holders of Notes to receive payment in full of (A) any Early Redemption Amount that has become due and payable or deliverable, (B) any Final Redemption Amount that has become due and payable or deliverable and/or (C) any interest or Instalment Amount that has become due and payable on the Maturity Date, as applicable, and, in each case, any interest accrued thereon, the holders of Notes will receive an amount which is less than any such amount, and the provisions of Master Condition 17 (*Limited Recourse and Non-Petition*) will apply.

**(e) Foreign exchange conversion**

To the extent that any proceeds payable to any party pursuant to this Master Condition 15 are not in the Specified Currency, then such proceeds shall be converted at such rate or rates, in accordance with such method and as at such date as may reasonably be specified by the Disposal Agent (prior to the Trustee enforcing the Security pursuant to the Security Documents and as described in Master Condition 14 (*Enforcement of Security*)) or the Trustee (following the Trustee enforcing the Security pursuant to the Security Documents and as described in Master Condition 14 (*Enforcement of Security*)), but having regard to current rates of exchange, if available. Any rate, method and date so specified shall be binding on the Issuer, the Noteholders, the Couponholders, the Swap Counterparty and the Custodian.

If, on or after the day falling five Reference Business Days after the Maturity Date of the Notes (such fifth Reference Business Day, the "**Maturity Cut-off Date**"):

(i) there are amounts that have become payable under the Swap Agreement by the Swap Counterparty and which remain unpaid as at the Maturity Cut-off Date or there are obligations that were required to be settled by delivery from the Swap Counterparty to

the Issuer on or prior to the Maturity Date and which have not been so settled as at the Maturity Cut-off Date;

(ii) no Early Termination Date has already been designated or occurred under the Swap Agreement; and

(iii) no Early Redemption Commencement Date or Early Redemption Date has occurred under any other Condition,

then the Issuer shall, as soon as is practicable after becoming aware of the same, notify the Noteholders in accordance with Master Condition 22 (*Notices*) and the Trustee in writing of the same. Following delivery of such notice from the Issuer, the Issuer shall, if directed by an Extraordinary Resolution, exercise its right to designate an Early Termination Date in respect of all outstanding Swap Transactions under the Swap Agreement.

## 16 Enforcement of Rights or Security

### (a) Notes

Subject always to the terms of the Trust Deed, only the Trustee may pursue the remedies against the Issuer for any breach by the Issuer of the terms of the Trust Deed, the Notes or the Coupons and no Noteholder or Couponholder shall be entitled to proceed directly against the Issuer unless the Trustee, having become bound to proceed in accordance with the terms of the Trust Deed, fails to do so within a reasonable period and such failure is continuing. In respect of any failure by the Issuer to make payment of the Final Redemption Amount and/or any interest or Instalment Amount that became due and payable on the Maturity Date, no Noteholder, Couponholder or other Secured Creditor may direct the Trustee to pursue any remedies against the Issuer for any breach by the Issuer of the terms of the Trust Deed, the Notes or the Coupons until after the Relevant Payment Date and the Trustee shall have no liability to any person for any loss which may arise from such delay.

### (b) Security

Only the Trustee may enforce the Security over the Mortgaged Property in accordance with, and subject to the terms of, the Trust Deed.

### (c) Indemnity, Security and/or pre-funding

The Trustee shall in no circumstances be obliged to take any action, step or proceeding whether pursuant to the Trust Deed, any other Security Document or otherwise without first being indemnified and/or secured and/or pre-funded to its satisfaction.

## 17 Limited Recourse and Non-Petition

### (a) General limited recourse

The obligations of the Issuer to pay any amounts due and payable in respect of a Series of Notes and to the other Transaction Parties at any time in respect of a Series shall be limited to the proceeds available out of the Mortgaged Property in respect of such Series at such time to make such payments in accordance with Master Condition 15 (*Application of Available Proceeds or Affected Class Collateral Proceeds*). Notwithstanding anything to the contrary contained herein, or in any Transaction Document, in respect of a Series, the Transaction Parties, the Noteholders and the Couponholders shall have recourse only to the Mortgaged

Property in respect of the Series, subject always to the Security, and not to any other assets of the Issuer. If, after (i) the Mortgaged Property in respect of the Series is exhausted (whether following Liquidation or enforcement of the Security or otherwise) and (ii) application of the Available Proceeds or the Affected Class Collateral Proceeds relating to the final outstanding Class(es), as applicable, as provided in Master Condition 15 (*Application of Available Proceeds or Affected Class Collateral Proceeds*), any outstanding claim, debt or liability against the Issuer in relation to the Notes of the Series or the Transaction Documents relating to the Notes of the Series remains unpaid, then such outstanding claim, debt or liability, as the case may be, shall be extinguished and no debt shall be owed by the Issuer in respect thereof. Following extinguishment in accordance with this Master Condition 17(a), none of the Transaction Parties, the Noteholders, the Couponholders or any other person acting on behalf of any of them shall be entitled to take any further steps against the Issuer or any of its officers, shareholders, members, incorporators, corporate service providers or directors to recover any further sum in respect of the extinguished claim and no debt shall be owed to any such persons by the Issuer or any of its officers, shareholders, members, incorporators, corporate service providers or directors in respect of such further sum in respect of the Series.

**(b) Non-petition**

None of the Transaction Parties (save for the Trustee who may lodge a claim in liquidation of the Issuer which is initiated by another party or take proceedings to obtain a declaration or judgment as to the obligations of the Issuer), the Noteholders, the Couponholders or any person acting on behalf of any of them may, at any time, institute, or join with any other person in bringing, instituting or joining, insolvency, administration, bankruptcy, winding-up, examinership or any other similar proceedings (whether court-based or otherwise) in relation to the Issuer or any of its officers, shareholders, members, incorporators, corporate service providers or directors or any of its assets, and none of them shall have any claim arising with respect to the assets and/or property attributable to any notes other than the Notes issued by the Issuer (save for any further notes which form a single series with the Notes) or Mortgaged Property in respect of a different series or Obligations issued or entered into by the Issuer or any other assets of the Issuer (other than the Mortgaged Property in respect of this Series).

It is a fundamental term of any debt comprising any amounts due to the Trustee, the Noteholders, the Couponholders, any Programme Parties or any Transaction Party that it shall not be entitled to exercise any right to setoff, lien, consolidation of accounts or other similar right arising by operation of law or otherwise (other than, in the case of the Swap Counterparty, in its capacity as Swap Counterparty and then solely in respect of rights arising under the Swap Agreement in respect of the relevant Series and not in respect of any other agreement) against the Issuer or any person entitled to receive any payment under the Notes, Receipts or Coupons (if any) or against the Mortgaged Property in priority to such security or other claims or against the Mortgaged Property or Collateral in respect of any other Series or any other assets of the Issuer (and each of the Trustee, the Noteholders, the Couponholders, the Programme Parties and the Transaction Parties hereby severally waive all such rights) or to institute, or join with any other person in bringing, instituting or joining, insolvency or examinership proceedings (whether court based or otherwise) in relation to the Issuer, in any such case, in respect of such debt (save as aforesaid).

### (c) Corporate obligation

In addition, none of the Transaction Parties, the Noteholders, the Couponholders or any person acting on behalf of any of them shall have any recourse against any director, shareholder, or officer of the Issuer in respect of any obligations, covenant or agreement entered into or made by the Issuer pursuant to the terms of these Conditions, the Trust Deed or any other Transaction Documents it being understood that such obligations, covenants and agreements are corporate obligations of the Issuer only.

### (d) Survival

The provisions of this Master Condition 17 shall survive notwithstanding any redemption of the Notes of any Series or the termination or expiration of any Transaction Document.

## 18 Prescription

Claims against the Issuer for payment in respect of the Notes, Receipts and Coupons (which, for this purpose, shall not include Talons) shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect of them.

## 19 Meetings of Noteholders, Modification, Waiver and Substitution

### (a) Meetings of Noteholders

The Trust Deed contains provisions for convening meetings of Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Trust Deed) of a modification of any of the Conditions or any provisions of the Trust Deed and/or any Transaction Document and give authority, direction or sanction required by, *inter alia*, Master Condition 5 (*Security*) or Master Condition 8 (*Redemption and Purchase*) to be given by Extraordinary Resolution. Such a meeting may be convened by Noteholders holding not less than 10 per cent. in nominal amount of the Notes for the time being outstanding of the Relevant Noteholder Proportion, or as provided in Master Condition 8(g) (*Redemption for a Counterparty Bankruptcy Credit Event*). The quorum for any meeting convened to consider an Extraordinary Resolution shall be two or more persons holding or representing a clear majority in nominal amount of the Notes for the time being outstanding of the Relevant Noteholder Proportion, or at any adjourned meeting two or more persons being or representing Noteholders whatever the nominal amount of the Notes held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to amend the dates of maturity or redemption of the Notes, any Instalment Date or any date for payment of interest or Interest Amounts on the Notes, (ii) to reduce or cancel the nominal amount of, or any Instalment Amount of, or any premium payable on redemption of, the Notes, (iii) to reduce the rate or rates of interest in respect of the Notes or to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating any Interest Amount in respect of the Notes, (iv) to vary any method of, or basis for, calculating the Final Redemption Amount or the Early Redemption Amount, (v) to vary the currency or currencies of payment or the currency or currencies of the denomination of the Notes, (vi) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass the Extraordinary Resolution, (vii) to modify the provisions of the Trust Deed concerning this exception, (viii) to modify Master Condition 5 (*Security*) or to hold an Extraordinary Resolution for the purposes of Master Condition 5(c) (*Issuer's rights as beneficial owner of Collateral*), (ix)

to modify Master Conditions 15 (*Application of Available Proceeds or Affected Class Collateral Proceeds*) or 17 (*Limited Recourse and Non-Petition*) or (x) to modify Master Conditions 8(b) (*Redemption by instalments*) to 8(l) (*Redemption following the occurrence of an Event of Default*), in which case the necessary quorum ("**Special Quorum**") shall be two or more persons holding or representing not less than 75 per cent. or at any adjourned meeting not less than 25 per cent. in nominal amount of the Notes for the time being outstanding of the Relevant Noteholder Proportion in accordance with the Trust Deed. In circumstances in which there is only one Noteholder in respect of all the Notes of the Relevant Noteholder Proportion outstanding, the quorum for all purposes shall be one. Any Extraordinary Resolution duly passed shall be binding on Noteholders (whether or not they were present at or participated in the meeting at which such resolution was passed) and on the holders of Coupons, Receipts and Talons.

The Trust Deed provides that (i) a resolution in writing signed by or on behalf of the holders of not less than 75 per cent. in nominal amount of the Notes outstanding of the Relevant Noteholder Proportion (a "**Written Resolution**") or (ii) where the Notes are held by or on behalf of a clearing system or clearing systems, approval of a resolution proposed by the Issuer or the Trustee (as the case may be) given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) in accordance with their operating rules and procedures by or on behalf of the holders of not less than 75 per cent. in aggregate nominal amount of the Notes then outstanding of the Relevant Noteholder Proportion ("**Electronic Consent**") shall, in each case for all purposes (including matters that would otherwise require an Extraordinary Resolution to be passed at a meeting for which the Special Quorum was satisfied) be as valid and effective as an Extraordinary Resolution of such Relevant Noteholder Proportion passed at a meeting of Noteholders duly convened and held. Such Written Resolution may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders. Such Written Resolution and/or Electronic Consent will be binding on all Noteholders and holders of Coupons, Talons and Receipts whether or not they participated in such Written Resolution or Electronic Consent.

For the purposes of this Master Condition 19(a):

(i) references to a meeting are to a meeting of holders of a single Series of Notes or, where a Series comprises separate Classes, to a meeting of each such Class of Notes, as applicable (save that where the meeting relates to a matter in respect of which more than one Class of Notes is affected, and no conflict of interest would arise between such Classes in respect of Classes thereof (such affected Classes of Notes, the "**Affected Classes**"), references to a meeting are to a meeting of Noteholders of the Affected Classes); and

(ii) references to "**Notes**" and "**Noteholders**" are only to the Notes of the Series or to the Notes of a Class or the Affected Classes, as applicable, in respect of which a meeting has been, or is to be, called, and to the holders of such Notes, respectively. With respect to a meeting called in relation to the Notes or Noteholders of a Class (or of the Affected Classes), any reference to Notes or Noteholders of a Series in this Master Condition 19(a) and Schedule 3 (*Provisions for Meetings of Noteholders*) of the Trust Deed shall be deemed to be a reference to the Notes or Noteholders of such Class (or, if applicable, of the Affected Classes).

**(b) Modification of the Conditions and/or any Transaction Document**

The Trustee (i) may agree, without the consent of the Noteholders or the Couponholders, to any modification of any of the Conditions or any of the provisions of the Transaction Documents that is in its opinion of a formal, minor or technical nature or is made to correct a manifest error and (ii) may agree, without the consent of the Noteholders or the Couponholders, to any other modification (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach, of any of the Conditions or any of the provisions of the Transaction Documents that is in the opinion of the Trustee not materially prejudicial to the interests of the Noteholders. To the extent that any Agent is appointed or replaced pursuant to Master Condition 11(b)(ii) (*Calculation Agent appointment, termination and replacement*) and/or Master Condition 11(c)(ii) (*Disposal Agent appointment, termination and replacement*), the Issuer may make such amendments to the Conditions and/or the Transaction Documents as it determines necessary to reflect such appointment or replacement to which the Trustee shall agree provided that such amendments are not in the opinion of the Trustee materially prejudicial to the interests of the Noteholders, and the Trustee shall sign such documents as may be required to give effect to such amendments. Any such modification, authorisation or waiver as is made or given under this Master Condition 19(b) shall be binding on the Noteholders and the Couponholders and, if the Trustee so requires, such modification shall be notified to the Noteholders as soon as is practicable.

**(c) Substitution**

The Trust Deed contains provisions permitting the Trustee to agree, subject to such amendment of the Trust Deed and such other conditions as the Trustee may require, without the consent of the Noteholders or the Couponholders but subject to the prior written consent of the Swap Counterparty, to the substitution of any other company in place of the Issuer, or of any previous substituted company, as principal debtor under the Trust Deed and the Notes, the Receipts, the Coupons and the Talons, as applicable. Such substitution of the Issuer may be made in circumstances, including but not limited to, where (i) Noteholders would suffer adverse tax consequences if the Issuer was not substituted or (ii) it becomes illegal for the Issuer to perform any of its obligations under the Notes. In the case of such a substitution the Trustee may agree, without the consent of the Noteholders or the Couponholders, to a change of the law governing the Notes, the Receipts, the Coupons, the Talons and/or the Trust Deed and/or any other Transaction Document provided that such change would not in the opinion of the Trustee be materially prejudicial to the interests of the Noteholders.

**(d) Entitlement of the Trustee**

In connection with the exercise of its functions (including but not limited to those referred to in this Master Condition 19) the Trustee shall have regard to the interests of the Noteholders as a class and shall not have regard to the consequences of such exercise for individual Noteholders or Couponholders resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or otherwise to the tax consequences thereof and the Trustee shall not be entitled to require, nor shall any Noteholder or Couponholder be entitled to claim, from the Issuer any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders or Couponholders.

## 20 Replacement of Notes, Certificates, Receipts, Coupons and Talons

If a Note, Certificate, Receipt, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange or other relevant authority regulations, at the Specified Office of the Issuing and Paying Agent in the applicable Issue Terms (in the case of Bearer Notes, Receipts, Coupons or Talons) and of the Registrar (in the case of Certificates) or such other Paying Agent or Transfer Agent, as the case may be, as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Noteholders in accordance with Master Condition 22 (*Notices*), in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Note, Certificate, Receipt, Coupon or Talon is subsequently presented for payment, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Note, Certificate, Receipt, Coupon or Talon) and otherwise as the Issuer may require. Mutilated or defaced Notes, Certificates, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

## 21 Further Issues

The Issuer may from time to time without the consent of the Noteholders or the Couponholders but subject to Master Condition 6 (*Restrictions*) create and issue further notes or other Obligations either having the same terms and conditions as the Notes of a Series or a Class thereof in all respects (or in all respects except for the first payment of interest on them) and so that such further issue shall be consolidated and form a single series with such Series or a Class thereof of the Notes or upon such terms as the Issuer may determine at the time of their issue. Any such further notes shall only form a single series or class with the Notes (unless otherwise sanctioned by an Extraordinary Resolution) if the Issuer acquires, and grants security over, additional assets (as security for such further notes and the existing Notes) which are fungible with, and have the same proportionate composition as, those forming part of the Mortgaged Property for the Notes and in the same proportion as the proportion that the nominal amount of such new notes bears to the Notes and/or the Issuer enters into an additional or supplemental Swap Agreement extending the terms of any existing Swap Agreement to the new notes on terms no less favourable than such existing documents and agreements, as applicable. Any new notes forming a single series with the Notes shall be constituted and secured by a deed supplemental to the Trust Deed, such further security shall be added to the Mortgaged Property so that the new notes and the existing Notes shall be secured by the same Mortgaged Property (and, for the avoidance of doubt, all the holders of the first and all later Tranches of Notes shall benefit from the Mortgaged Property on a *pari passu* basis) and references in the Conditions to "**Notes**", "**Original Collateral**", "**Collateral**", "**Mortgaged Property**", the "**Swap Agreement**", "**Secured Payment Obligations**" and "**Secured Creditor**" shall be construed accordingly. The Trust Deed contains provisions for convening a single meeting of the holders of the Notes and the holders of notes of other specified series in certain circumstances where the Trustee so decides.

## 22 Notices

Notices to the holders of Registered Notes shall be mailed to them at their respective addresses in the Register and deemed to have been given on the day it is delivered in the case of recorded delivery and three days (excluding Saturdays and Sundays) in the case of inland post or seven days (excluding Saturdays and Sundays) in the case of overseas post after despatch or if earlier when delivered, save that for the purposes only of determining any Early Redemption Commencement Date the relevant Early Redemption Notice shall be deemed to have been given on the date

despatched. Notices to the holders of Bearer Notes shall be valid if published in a daily newspaper of general circulation in Europe and for so long as Notes are listed on a stock exchange, published in accordance with the rules of such stock exchange. If in the opinion of the Trustee any such publication is not practicable, notice shall be validly given if published in another leading daily English language newspaper with general circulation in Europe. Any such notice 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, as provided above.

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 Banking Luxembourg, Euroclear 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 Banking 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 as aforesaid.

Couponholders shall 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 Master Condition 22.

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.

## 23 Indemnification and Obligations of the Trustee

The Trust Deed contains provisions for the indemnification of the Trustee, for its relief from responsibility including for the exercise of any voting rights in respect of the Collateral and for the validity, sufficiency and enforceability (which the Trustee has not investigated) of the Security created over the Mortgaged Property. The Trustee is not obliged or required to take any step, action or proceeding under the Trust Deed unless indemnified and/or secured and/or pre-funded to its satisfaction. The Trustee and any Affiliate of the Trustee are entitled to enter into business transactions with the Issuer, any Collateral Obligor, the Swap Counterparty or any of their subsidiaries, holding or associated companies without accounting to the Noteholders or Couponholders for profit resulting therefrom.

The Trustee is exempted from liability with respect to any loss or theft or reduction in value of the Collateral, from any obligation to insure or to procure the insuring of the Collateral and from any claim arising from the fact that the Collateral will be held in safe custody by the Custodian or any custodian selected by the Trustee (in each case, if applicable). The Trustee is not responsible for monitoring or supervising the performance by any other person of its obligations to the Issuer and may assume these are being performed unless and until it has actual knowledge to the contrary.

The Trust Deed provides that in acting as Trustee under the Trust Deed the Trustee does not assume any duty or responsibility to the Swap Counterparty, the Disposal Agent, the Custodian, the Calculation Agent or any of the Paying Agents or any other Transaction Party (other than to pay to any of such parties any moneys received and repayable to it and to act in accordance with the provisions of Master Conditions 5 (*Security*) and 15 (*Application of Available Proceeds or Affected Class Collateral Proceeds*) and shall have regard solely to the interests of the Noteholders.

None of the Trustee nor the Paying Agents shall be required or obliged to monitor or enquire as to whether any event, condition or circumstance which could lead to an early redemption of the Notes

exists or has occurred. None of the Trustee nor the Paying Agents shall have any obligation, responsibility or liability for giving or not giving any notice thereof to the Issuer, the Calculation Agent or any Secured Creditor.

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

No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999, except and to the extent (if any) that the Notes expressly provide for such Act to apply to any of their terms.

## 25 Governing Law and Jurisdiction

### (a) Governing Law

The Trust Deed, the Notes, the Receipts, the Coupons and the Talons and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, English law.

### (b) Jurisdiction

The courts of England are to have exclusive jurisdiction to settle any disputes that may arise out of or in connection with any Notes, Receipts, Coupons or Talons and accordingly any legal action or proceedings arising out of or in connection with any Notes, Receipts, Coupons or Talons ("**Proceedings**") may be brought in such courts. The Issuer has in the Trust Deed irrevocably submitted to the jurisdiction of such courts.

### (c) Service of process

The Issuer has irrevocably appointed an agent in England to receive, for it and on its behalf, service of process in any Proceedings in England.

# PASS-THROUGH NOTE TERMS PRODUCT SUPPLEMENT

## 1 Incorporation and Interpretation

### (a) Applicable Product Supplement

This Product Supplement is the "**Pass-Through Note Terms Product Supplement**". If in the applicable Issue Terms the Applicable Product Supplement is specified as the Pass-Through Note Terms Product Supplement the terms and conditions of the Notes shall be the Master Conditions, as amended and supplemented by the additional conditions set out in this Pass-Through Note Terms Product Supplement (the "**Additional Pass-Through Conditions**") and the Alternative Drawdown Document.

Other than with respect to Master Condition 17 (*Limited Recourse and Non-Petition*) and to the extent relevant Master Condition 9(h) (*Determinations and actions*), to the extent of any inconsistency between (a) the Master Conditions and the Additional Conditions, the Additional Conditions will prevail; and (b) between the Additional Conditions and the applicable Issue Terms, the Issue Terms will prevail.

### (b) Defined terms

Capitalised terms used but not defined in this Pass-Through Note Terms Product Supplement shall have the meaning given to them in the Master Conditions or the applicable Issue Terms. In the event of any inconsistency, the Issue Terms shall prevail over the Master Conditions.

## 2 Additional Provisions

### (a) Interest

On the day falling the number of Reference Business Days specified in the applicable Issue Terms after each date on which interest is due and payable to the Issuer in respect of the Original Collateral in accordance with the terms and conditions thereof (subject to adjustment in accordance with any business day convention specified in the terms and conditions of the Original Collateral) (each such date, an "**Interest Payment Date**") or, if no Number of Reference Business Days is specified in the applicable Issue Terms, the day falling two Reference Business Days after each date on which interest is due and payable to the Issuer in respect of the Original Collateral in accordance with the terms and conditions thereof (subject to adjustment in accordance with any business day convention specified in the terms and conditions of the Original Collateral), an amount shall be payable in respect of each Note (an "**Interest Amount**") equal to (i) such Note's *pro rata* share of the aggregate interest amount due and payable to the Issuer in respect of the Original Collateral held by or on behalf of the Issuer the Number of Reference Business Day prior to such Interest Payment Date specified in the applicable Issue Terms or, if not so specified, two Reference Business Days prior to such Interest Payment Date minus (ii) any "**Pass-Through Fee Amount**", being an amount specified in the applicable Issue Terms.

### (b) Early redemption

(i) Master Conditions 8(c) (*Redemption following a Collateral Event*) and 8(e) (*Redemption following a Trigger Event*) shall not apply to the Notes.

(ii) Provided that no Early Redemption Commencement Date or Early Redemption Date has occurred pursuant to any other Master Condition, the Issuer shall, as soon as is

reasonably practicable after becoming aware (whether by notice thereof from the Calculation Agent or otherwise) of the occurrence of a Pass-Through Notes Event (or, in any case, within two Reference Business Days thereof), give an Early Redemption Notice to the Noteholders and each Note shall become due and payable on the related Early Redemption Date at its Early Redemption Amount (which shall be the only amount payable and there will be no separate payment of any unpaid accrued interest thereon). The date on which such Early Redemption Notice is deemed to have been given shall be an "**Early Redemption Commencement Date**".

For the avoidance of doubt, none of the Issuer, the Trustee or the Calculation Agent shall be required to monitor, enquire or satisfy itself as to whether any Pass-Through Notes Event has occurred. Neither the Trustee nor the Calculation Agent shall have any obligation, responsibility or liability for giving or not giving any notice thereof to the Issuer. If the Issuer effectively gives a notice to the Trustee and/or the Calculation Agent of the occurrence of a Pass-Through Notes Event, the Trustee and/or Calculation Agent, as the case may be, shall be entitled to rely absolutely on such notice without further investigation.

For such purposes:

(I) a "**Pass-Through Notes Event**" will occur if any Original Collateral becomes payable or repayable, or becomes capable of being declared due and payable or repayable, prior to its stated date of maturity for whatever reason or there is a payment default in respect of any of the Original Collateral in accordance with its terms and conditions;

(II) this Additional Condition 2(b)(ii) shall be deemed to constitute part of Master Condition 8 (*Redemption and Purchase*) for the purposes of the definition of Early Redemption Notice and such definition shall be construed so as to also refer to this Additional Condition 2(b)(ii) immediately after the reference to Master Condition 8(l) (*Redemption following the occurrence of an Event of Default*) therein;

(III) Master Condition 8(u) (*Effect of redemption, purchase and cancellation*) shall be construed so as to also refer to this Additional Condition 2(b)(ii) immediately after the reference to Master Condition 8(l) (*Redemption following the occurrence of an Event of Default*) in both the first and second sentence thereof; and

(IV) the Early Redemption Amount shall be the Early Cash Redemption Amount.

**(c) Final Redemption**

(i) The "**Final Redemption Amount**" in respect of a Note to which these Additional Conditions apply shall, unless otherwise specified in the applicable Issue Terms, be an amount equal to the outstanding nominal amount of such Note as determined by the Calculation Agent.

(ii) The "**Maturity Date**" in respect of a Note to which these Additional Conditions apply shall, unless otherwise specified in the applicable Issue Terms, be the date falling two Reference Business Days following the stated maturity date of the Original Collateral.

**(d) Swap Agreement**

Unless specified in the applicable Issue Terms, no Swap Agreement will be entered into between the parties in relation to the Notes.

# CLN CONDITIONS PRODUCT SUPPLEMENT

## 1 Incorporation and Interpretation

### (a) Applicable Product Supplement

This Product Supplement is the "**CLN Conditions Product Supplement**". If, in the applicable Issue Terms, the CLN Conditions Product Supplement is specified as an applicable Product Supplement:

(i) the Notes shall be "Credit Linked Notes";

(ii) the terms and conditions of the Credit Linked Notes shall be the Master Conditions, as amended and supplemented by the additional conditions comprising this CLN Conditions Product Supplement (the "**Additional CLN Conditions**"), as further amended and supplemented by the applicable Issue Terms;

(iii) in connection with the relevant Series, the Issuer and the Swap Counterparty shall enter into a credit default swap (the "**CDS**"); and

(iv) the redemption of the Credit Linked Notes following the occurrence of a Credit Event pursuant to Additional CLN Condition 2(a) (*Redemption following the occurrence of a Credit Event*) shall be an "Additional Redemption Event" for the purposes of Master Condition 8(k) (*Redemption following an Additional Redemption Event*).

This CLN Conditions Product Supplement shall not apply to Notes issued by way of Final Terms.

In connection with the relevant Series, the Issuer and the Swap Counterparty may also enter into one or more interest rate swap transaction(s) and/or cross-currency swap transaction(s) and/or other swap transaction(s) (each, a "**Related Swap**").

### (b) Defined Terms

Certain terms are defined in Additional CLN Condition 16 (*Definitions*). Capitalised terms used but not defined in this CLN Conditions Product Supplement shall have the meanings given to them in the Master Conditions or the applicable Issue Terms.

Other than with respect to Master Condition 17 (*Limited Recourse and Non-Petition*) and to the extent relevant Master Condition 9(h) (*Determinations and actions*), to the extent of any inconsistency between: (i) the Master Conditions and the Additional CLN Conditions, the Additional CLN Conditions will prevail; (ii) the Master Conditions and the applicable Issue Terms, the Issue Terms will prevail and (iii) the Additional CLN Conditions and the applicable Issue Terms, the Issue Terms will prevail.

### (c) Issue Terms

The applicable Issue Terms shall, amongst other things, specify the following:

(i) each Reference Entity and whether "Standard Reference Obligation" is applicable in respect of such Reference Entity (and, where it is applicable but no Standard Reference Obligation has been published on or prior to the Trade Date, the Reference Obligation that shall comprise the Original Non-Standard Reference Obligation) or the Reference Obligation if "Standard Reference Obligation" is not applicable thereto;

(ii) in respect of each Reference Entity, the applicable "Transaction Type" for the purposes of the application of the Physical Settlement Matrix;

(iii) the CLN Type, which shall be one of Single Name CLN, First-to-Default Basket CLN, Linear Basket CLN, First Default Linear Basket CLN or Index Linked CLN;

(iv) the Credit Event Settlement Method, which shall be either Auction Redemption or Fixed Recovery Redemption; and

(v) the applicable Restructuring Election (if any), which shall be one of "Mod R" or "Mod Mod R".

### (d) Classes

Where the applicable Issue Terms specify that Classes apply in respect of a particular Series, all references herein to:

(i) "Credit Linked Notes" shall also refer to the Notes of each of the Classes of the Credit Linked Notes (or, where applicable, Notes of the relevant Class(es));

(ii) "Series" shall also refer to each of the Classes of the Credit Linked Notes (or, where applicable, the relevant Class(es)); and

(iii) "Collateral" or "Original Collateral" shall also refer to "Class Collateral",

in each case, as the context requires.

## 2 Redemption of Credit Linked Notes

### (a) Redemption following the occurrence of a Credit Event

Provided that no Early Redemption Commencement Date has occurred pursuant to any other Condition as a result of which a Credit Linked Note has been redeemed in full and such Credit Linked Note has not been purchased and cancelled as provided for in Master Condition 8 (*Redemption and Purchase*), if a relevant Event Determination Date has occurred with respect to any Reference Entity, the Issuer will redeem the Applicable Proportion of each such Credit Linked Note as follows:

(i) if Auction Redemption is the applicable Credit Event Settlement Method, the Applicable Proportion of the Credit Linked Note shall be redeemed by payment of the Early Cash Redemption Amount on the Early Redemption Date in accordance with Additional CLN Condition 6 (*Auction Redemption Terms*);

(ii) if Auction Redemption is not possible pursuant to sub-paragraphs (i) or (ii) of Additional CLN Condition 6(b) (*Fallback Redemption*), Cash Redemption shall be applicable and the Applicable Proportion of the Credit Linked Note shall be redeemed by payment of the Early Cash Redemption Amount on the Early Redemption Date in accordance with Additional CLN Condition 7 (*Cash Redemption Terms*); or

(iii) if Fixed Recovery Redemption is the applicable Credit Event Settlement Method, the Applicable Proportion of the Credit Linked Note shall be redeemed by payment of the Early Cash Redemption Amount on the Early Redemption Date in accordance with Additional CLN Condition 10 (*Fixed Recovery Redemption Terms*),

in each case subject to Additional CLN Condition 9 (*Effect of DC Announcements*).

If a Collateral Event has occurred and on or prior to the related Early Redemption Date a Credit Event has occurred within the Notice Delivery Period, the Applicable Proportion of the Notes will be redeemed pursuant to this Additional CLN Condition 2(a) and the portion of the remaining outstanding Notes required to be redeemed as a result of the relevant Collateral Event will be redeemed pursuant to Master Condition 8(c) (*Redemption following a Collateral Event*).

Upon discharge by the Issuer of its payment obligations on the Early Redemption Date (or, if the relevant Early Cash Redemption Amount is zero, upon the occurrence of the Early Redemption Date) pursuant to Additional CLN Condition 6 (*Auction Redemption Terms*), 7 (*Cash Redemption Terms*) or 10 (*Fixed Recovery Redemption Terms*), as applicable, or as otherwise provided herein, the Issuer's obligations in respect of the Applicable Proportion of the Credit Linked Note shall be discharged in full.

**(b) Credit Event Notice and Notice of Publicly Available Information**

(i) If a Credit Event Notice and, if applicable, a Notice of Publicly Available Information is required to be delivered for an Event Determination Date to occur, the Swap Counterparty may deliver a Credit Event Notice and, if applicable, a Notice of Publicly Available Information to the Issuer (copied to the Calculation Agent, the Issuing and Paying Agent, the Disposal Agent and the Trustee) and the Issuer (or the Issuing and Paying Agent, having been supplied by the Issuer or the Calculation Agent with an Early Redemption Notice addressed to the Noteholders, on its behalf) will, as soon as reasonably practicable and in any event within five Reference Business Days after the date on which the Credit Event Notice is delivered, give an Early Redemption Notice (attaching a copy of the Credit Event Notice and, if applicable, the Notice of Publicly Available Information or including equivalent information therein) to the Noteholders (the date of such Early Redemption Notice being the "**Early Redemption Commencement Date**") in accordance with Master Condition 22 (*Notices*), provided that failure by the Issuer or the Issuing and Paying Agent to deliver a copy of such Credit Event Notice and/or such Notice of Publicly Available Information to the Noteholders shall not affect the effectiveness of the Credit Event Notice and/or the Notice of Publicly Available Information or the Early Redemption Notice, or the rights of the Issuer to redeem the Credit Linked Notes.

(ii) If a Credit Event Notice is not required to be delivered in order for an Event Determination Date to occur, then the Calculation Agent shall give written notice as soon as reasonably practicable and in any event within five Reference Business Days of it becoming aware of an applicable Event Determination Date, containing the same information required to be included in a Credit Event Notice to the Issuer (copied to the Issuing and Paying Agent, the Swap Counterparty, the Disposal Agent and the Trustee) and the Issuer (or the Issuing and Paying Agent, having been supplied by the Issuer or the Calculation Agent with an Early Redemption Notice addressed to the Noteholders, on its behalf) will give an Early Redemption Notice (attaching a copy of such notice given by the Calculation Agent to the Issuer) to the Noteholders (the date of such Early Redemption Notice being the "**Early Redemption Commencement Date**") in accordance with Master Condition 22 (*Notices*), provided that any failure to give such notice to the Noteholders shall not affect any determinations made by the Calculation Agent or the rights of the Issuer to redeem the Applicable Proportion of the Credit Linked Notes.

(iii) For the avoidance of doubt, none of the Issuer, the Trustee, the Swap Counterparty or the Calculation Agent shall be required to monitor, enquire or satisfy itself as to whether any Credit Event has, or may have, occurred or may be continuing. Neither the Trustee nor the Calculation Agent shall have any obligation, responsibility or liability for giving or not giving any notice thereof to the Issuer or any Secured Creditor or be liable for any loss occasioned by the occurrence of a Credit Event. If the Trustee receives notice from the Issuer, the Calculation Agent or the Swap Counterparty of the occurrence of a Credit Event, the Trustee shall be entitled to rely on such notice without further investigation.

(iv) Further, none of the Issuer or any Transaction Party (including the Swap Counterparty and the Calculation Agent) will have any liability whatsoever if the Swap Counterparty for any reason does not determine that a Credit Event has occurred, or with respect to the Swap Counterparty's timing as to when to deliver a Credit Event Notice (or any such other notice required to be delivered by the Swap Counterparty or the Calculation Agent to the Issuer or any other party, or by the Issuer to the Noteholders in accordance with these Additional CLN Conditions, including a Notice of Publicly Available Information).

**(c) Relevant time**

(i) Subject to sub-paragraph (ii) of this Additional CLN Condition 2(c), in order to determine the day on which an event occurs for purposes of these Additional CLN Conditions, the demarcation of days shall be made by reference to Greenwich Mean Time (or Tokyo time if the Calculation Agent determines that Tokyo time is the market convention with respect to the relevant Reference Entity), irrespective of the time zone in which such event occurred. Any event occurring at midnight shall be deemed to have occurred immediately prior to midnight.

(ii) Notwithstanding the definition of "Credit Event Notice" and sub-paragraph (i) of this Additional CLN Condition 2(c), if a payment is not made by the Reference Entity on its due date or, as the case may be, on the final day of the relevant Grace Period, then such failure to make a payment shall be deemed to have occurred on such day prior to midnight Greenwich Mean Time (or Tokyo time if the Calculation Agent determines that Tokyo time is the market convention with respect to the relevant Reference Entity), irrespective of the time zone of its place of payment.

**(d) Redemption other than following the occurrence of a Credit Event**

If an Early Redemption Commencement Date has occurred pursuant to any other Condition (and not, for the avoidance of doubt, following the occurrence of a Credit Event in accordance with the Additional Redemption Event specified in Additional CLN Condition 2(a) (*Redemption following the occurrence of a Credit Event*)), each Credit Linked Note outstanding shall be redeemed by payment of the Early Redemption Amount on the Early Redemption Date in accordance with the Master Conditions, save that for such purposes the definition of "Early Cash Redemption Amount" in Master Condition 1(a) (*Definitions*) shall not apply and sub-paragraph (b) of the definition of "Early Cash Redemption Amount" set out in Additional CLN Condition 16 (*Definitions*) shall apply instead.

## 3 Interest on Credit Linked Notes

### (a) Accrual of Interest

Provided that a relevant Event Determination Date has not occurred in respect of a Reference Entity during the Notice Delivery Period and on or prior to the Scheduled Maturity Date and no Early Redemption Date has occurred pursuant to any other Condition, then, subject to Additional CLN Condition 3(b) (*Suspension of Interest*), interest (if any) shall accrue on each outstanding Credit Linked Note in accordance with Master Condition 7 (*Interest*) (as completed by the relevant Issue Terms).

### (b) Suspension of Interest

Subject to Additional CLN Conditions 3(c) (*Payment of Suspended Interest*) and 3(d) (*Payment of Interest – M(M)R Restructuring Credit Event*), if (A) an Applicable DC Credit Event Question is made on or prior to any Interest Payment Date in respect of which a DC Resolution has not been published (a "**Suspended Interest Payment Date**") or (B) the Calculation Agent determines that facts exist which may amount to a Credit Event, the payment of interest (if any) in respect of the Applicable Proportion of each Credit Linked Note scheduled to be paid to Noteholders on or about such Interest Payment Date will be suspended.

### (c) Payment of Suspended Interest

(i) If, in connection with an Applicable DC Credit Event Question, either (A) an Applicable DC Credit Event Announcement is made but the Calculation Agent determines that the Event Determination Date relating thereto is a date falling after such Suspended Interest Payment Date, or (B) an Applicable DC No Credit Event Announcement or an Applicable DC Credit Event Question Dismissal is made, or (C) the Calculation Agent determines that the circumstances giving rise to such potential Credit Event have been remedied (if possible) or no longer exist such that no related Event Determination Date has occurred, payment of the suspended interest will be made five Reference Business Days after the date the Event Determination Date is so determined, the date of the Applicable DC No Credit Event Announcement or Applicable DC Credit Event Question Dismissal, or the date on which the Calculation Agent makes such determination, as applicable.

(ii) If, in connection with an Applicable DC Credit Event Question, an Applicable DC Credit Event Announcement is made and that the Event Determination Date relating thereto is a date falling on or prior to such Suspended Interest Payment Date, no payment of the suspended interest will be made and the accrual of interest prior to such Interest Payment Date will be determined in accordance with Additional CLN Condition 3(e) (*Accrual of Interest on Credit Event*).

(iii) No additional amount in respect of interest and no adjustment shall be made to the amount of any interest in connection with the delay or postponement of any payment of interest pursuant to Additional CLN Condition 3(b) (*Suspension of Interest*) above. The Calculation Agent shall endeavour to give notice to the Noteholders, the Trustee, the Issuing and Paying Agent and the Issuer in accordance with Master Condition 22 (*Notices*) as soon as reasonably practicable should any payment of interest be suspended and/or postponed pursuant to this Additional CLN Condition 3.

**(d) Payment of Interest – M(M)R Restructuring Credit Event**

If, in connection with an Applicable DC Credit Event Question, an Applicable DC Credit Event Announcement is made and the Credit Event is an M(M)R Restructuring Credit Event:

(i) save for the portion of suspended interest relating to the Applicable Proportion of the Credit Linked Notes, payment of the remaining portion (if any) of suspended interest will be made five Reference Business Days after the date on which the relevant Credit Event Notice is delivered; and

(ii) payment of the portion of suspended interest relating to the Applicable Proportion of the Notes will be not be made and the accrual of interest relating to the Applicable Proportion of the Notes prior to such Interest Payment Date will be determined in accordance with Additional CLN Condition 3(e) (*Accrual of Interest on Credit Event*).

**(e) Accrual of Interest on Credit Event**

If a relevant Event Determination Date has occurred in respect of a Reference Entity during the Notice Delivery Period but prior to the Scheduled Maturity Date then, notwithstanding anything to the contrary in Master Condition 7 (*Interest*), interest shall be deemed to have ceased to accrue on the Applicable Proportion of each Credit Linked Note from and including the immediately preceding Interest Payment Date (or, if no such immediately preceding Interest Payment Date, the Interest Commencement Date).

For the avoidance of doubt, interest (if any) shall, in the case of Linear Basket CLNs Index Linked CLNs or Credit Linked Notes to which an M(M)R Restructuring applies, continue to accrue on the remaining portion of each Credit Linked Note then outstanding (if any).

**(f) Adjustment Payment**

If, in accordance with the provisions above, following the determination by a Credit Derivatives Determinations Committee that an Event Determination Date has occurred, ISDA publicly announces that the relevant Credit Derivatives Determinations Committee has resolved that such Event Determination Date occurred on a date that is different from the date first determined to be the Event Determination Date or not to have occurred, or an Event Determination Date is determined to have occurred prior to a preceding Interest Payment Date, the Calculation Agent will determine, acting in a commercially reasonable manner, any additional amount payable to the Noteholder(s) to reflect any scheduled payment that would have been due on the basis of such announcement but was not paid in respect of the Notes or any reduction in any subsequent amount that would otherwise subsequently be payable to the Noteholders to reflect any payment that was paid but would not have been due on the basis of such announcement in respect of the Notes. For the avoidance of doubt, no accruals of interest shall be taken into account when calculating any such adjustment payment.

## 4 Maturity Date Extension

(a) Where the Calculation Agent considers that, on or prior to the Scheduled Maturity Date, one or more Reference Entities is or may be subject to (i) a Credit Event, (ii) if "Grace Period Extension" is specified as being applicable in the relevant Issue Terms, a Potential Failure to Pay or, (iii) if "Repudiation/Moratorium" is specified as being applicable in the relevant Issue Terms, a Potential Repudiation/Moratorium, it shall notify the Issuer two Business Days prior to the Scheduled Maturity Date (with a copy to the Swap Counterparty and the Issuing and Paying Agent) that each Credit Linked Note then outstanding shall not be redeemed on the

Scheduled Maturity Date but shall be redeemed instead on the Extended Maturity Date, and the Issuer (or the Issuing and Paying Agent, having been supplied by the Issuer or the Calculation Agent with a notice addressed to the Noteholders), will give an equivalent notice to the Noteholders.

(b) If any amount is payable on the Scheduled Maturity Date of a Credit Linked Note to which the provisions of Additional CLN Condition 4(a) apply, such amount shall fall due on the Extended Maturity Date and shall be payable (i) where the applicable Issue Terms specify that Postponement Interest is applicable, with interest accrued on the unpaid amount payable at the relevant Postponement Rate (as specified in the applicable Issue Terms) and (ii) where the applicable Issue Terms specify that Postponement Interest is not applicable, without any interest or other sum payable in respect of the postponement of the payment of such amount.

## 5 Exercise Amounts in respect of M(M)R Restructuring

### (a) M(M)R Restructuring Credit Event

(i) Where a relevant Event Determination Date occurs as a result of an M(M)R Restructuring in respect of Credit Linked Notes (other than First Default Linear Basket CLNs, in respect of which the Swap Counterparty will not have the right to trigger a partial redemption of the Notes following an M(M)R Restructuring (unless otherwise specified in the applicable Issue Terms)), then:

(A) the Swap Counterparty may elect under the CDS the nominal amount of the Credit Linked Notes to which such M(M)R Restructuring applies (the amount so specified, the "**Exercise Amount**"), which Exercise Amount must be (A) an amount that is at least 1,000,000 units of the Specified Currency (or, if Japanese Yen, 100,000,000 units) and an integral multiple thereof, provided that it cannot exceed either (i) in the case of Single Name CLNs or First-to-Default Basket CLNs, the Aggregate Nominal Amount of the Credit Linked Notes immediately prior to the delivery of the Credit Event Notice or (ii) in the case of Linear Basket CLNs or Index Linked CLNs, the then prevailing Reference Entity Outstanding Amount or (B) the then prevailing Reference Entity Outstanding Amount, in each case immediately prior to the delivery of the Credit Event Notice;

(B) if the Swap Counterparty does not specify an Exercise Amount, then (i) in the case of Single Name CLNs or First-to-Default Basket CLNs, the outstanding Aggregate Nominal Amount of the Credit Linked Notes will be deemed to have been specified as the Exercise Amount or (ii) in the case of Linear Basket CLNs or Index Linked CLNs, the relevant Reference Entity Notional Amount outstanding in respect of the Affected Reference Entity, and not a portion thereof, will be deemed to have been specified as the Exercise Amount; and

(C) accordingly, notwithstanding anything to the contrary in these Additional CLN Conditions, where an M(M)R Restructuring Credit Event has occurred and the Swap Counterparty has elected an Exercise Amount that is less than the Reference Entity Notional Amount outstanding in respect of the Affected Reference Entity (in the case of Linear Basket CLNs or Index Linked CLNs) or the outstanding Aggregate Nominal Amount of the Credit Linked Notes (in the case of Single Name CLNs or First-to-Default Basket CLNs) as at the date immediately prior to the relevant Event Determination Date, the provisions of these Additional CLN Conditions shall be deemed to apply to a nominal amount of the Credit

Linked Notes equal to the Exercise Amount only and all the provisions shall be construed accordingly.

If the Swap Counterparty has notified the Issuer within three Reference Business Days of the initial relevant Event Determination Date of an Exercise Amount that is less than the relevant Reference Entity Notional Amount outstanding in respect of the Affected Reference Entity, then the Swap Counterparty may subsequently specify one or more Exercise Amounts in respect of such M(M)R Restructuring Credit Event by giving notice to the Issuer (copied to the Issuing and Paying Agent and the Calculation Agent) at any time prior to the Maturity Date. In such circumstances, the Swap Counterparty's notice shall be deemed to have been a Credit Event Notice that has triggered a relevant Event Determination Date on the date of delivery.

(ii) Unless otherwise specified in the applicable Issue Terms, the Swap Counterparty shall not have the right to trigger a partial redemption of First Default Linear Basket CLNs following an M(M)R Restructuring and, accordingly, this Additional CLN Condition 5(a) shall not apply to First Default Linear Basket CLNs. For the avoidance of doubt, where a relevant Event Determination Date occurs as a result of an M(M)R Restructuring in the case of a First Default Linear Basket CLN, each Credit Linked Note will redeem in full without the need for the Swap Counterparty to elect an Exercise Amount under the CDS and regardless of whether the Swap Counterparty attempts to elect an Exercise Amount that is less than the Reference Entity Notional Amount of the Affected Reference Entity.

**(b) Partial redemption in respect of M(M)R Restructuring**

If, in respect of an M(M)R Restructuring, the Swap Counterparty has elected an Exercise Amount in relation to a Reference Entity that is less than the outstanding Aggregate Nominal Amount of the Credit Linked Notes (in the case of Single Name CLNs and First-to-Default Basket CLNs) or the relevant Reference Entity Notional Amount (in the case of Linear Basket CLNs and Index Linked CLNs) then:

(i) the relevant provisions of Additional CLN Condition 6 (*Auction Redemption Terms*) or 7 (*Cash Redemption Terms*) or Additional CLN Condition 10 (*Fixed Recovery Redemption Terms*) relating to redemption of Credit Linked Notes shall apply to the Exercise Amount (and, for the avoidance of doubt, shall also apply, in the case of First-to-Default Basket CLNs, to the Reference Entity Notional Amount of each Non-Affected Reference Entity), including for the purposes of calculating the Early Cash Redemption Amount;

(ii) following any payment of an Early Cash Redemption Amount or any other determination made in respect of any Exercise Amount, the Reference Entity Notional Amount of the Affected Reference Entity shall be reduced by an amount equal to the Exercise Amount (and, for Linear Basket CLNs and Index Linked CLNs, the aggregate of the Reference Entity Notional Amounts comprising the Aggregate Nominal Amount of the Series shall be reduced accordingly). An amount of Credit Linked Notes equal (in aggregate) to the relevant Reference Entity Notional Amount, as reduced to account for such Exercise Amount, shall remain outstanding (the "**Reference Entity Outstanding Amount**") and the Swap Counterparty may thereafter deliver one or more further notices electing another Exercise Amount in respect of such Reference Entity (which shall be deemed to be Credit Event Notices) in respect of such Reference Entity Outstanding Amount; and

(iii) the Calculation Agent may adjust the provisions of these Additional CLN Conditions and/or the relevant Issue Terms in such manner as it may determine to be appropriate

to account for such event, including the basis of the calculation of any Early Cash Redemption Amount.

Following the occurrence of an M(M)R Restructuring Credit Event, in respect of First-to-Default Basket CLNs, where the Swap Counterparty has elected an Exercise Amount in relation to the Affected Reference Entity that is less than relevant Reference Entity Notional Amount then, for the avoidance of doubt, the aggregate of the Reference Entity Notional Amounts shall be reduced such that the only the Reference Entity Outstanding Amount of the Affected Reference Entity shall remain outstanding.

This Additional CLN Condition 5(b) shall not apply to First Default Linear Basket CLNs (unless otherwise specified in the applicable Issue Terms).

### (c) Subsequent Credit Events

For the avoidance of doubt:

(i) in the case of a First-to-Default Basket CLN and a First Default Linear Basket CLN, once an M(M)R Restructuring has occurred, no further Credit Event Notices may be delivered in respect of any Reference Entity other than the Affected Reference Entity; and

(ii) in the case of a Linear Basket CLN and an Index Linked CLN, the fact that a Restructuring Credit Event has occurred shall not preclude delivery of a Credit Event Notice in respect of any Non-Affected Reference Entity.

If the provisions of this Additional CLN Condition 5 apply in respect of the Credit Linked Notes, on any redemption of part of each such Credit Linked Note, the relevant Credit Linked Note or, if the Credit Linked Notes are represented by a Global Note, such Global Note, shall be endorsed to reflect such redemption in part.

## 6 Auction Redemption Terms

### (a) Redemption of Credit Linked Notes where Auction Redemption applies

Notwithstanding anything to the contrary in Master Condition 8 (*Redemption and Purchase*) and provided that no Early Redemption Commencement Date has occurred pursuant to any other Condition as a result of which a Credit Linked Note has, or is in the process of being, redeemed in full and such Credit Linked Note has not been purchased and cancelled as provided for in Master Condition 8 (*Redemption and Purchase*), if a relevant Event Determination Date has occurred with respect to any Reference Entity and "Auction Redemption" is applicable, then, following the occurrence of an Early Redemption Commencement Date:

(i) the Credit Event Loss Amount and the Affected Swap Value will be determined as soon as reasonably practicable, and in any event within five Reference Business Days following the Auction Final Price Determination Date (the date upon which the Credit Event Loss Amount and the Affected Swap Value have been determined being the "**Credit Event Valuation Date**");

(ii) the Disposal Agent shall effect a Liquidation of an amount of the Collateral (or, where the relevant Issue Terms specify that Classes apply, the relevant Class Collateral) equal to the Applicable Proportion as soon as reasonably practicable, and in any event within five Reference Business Days following the Auction Final Price Determination Date in accordance with Additional CLN Condition 8 (*Liquidation and Early Redemption*); and

(iii) the Issuer shall redeem:

(A) if the Credit Event is not an M(M)R Restructuring Credit Event, where the Credit Linked Notes are Single Name CLNs, First Default Linear Basket CLNs or First-to-Default Basket CLNs, each Credit Linked Note in whole on the relevant Early Redemption Date at its Early Cash Redemption Amount; or

(B) if the Credit Event is not an M(M)R Restructuring Credit Event, where the Credit Linked Notes are Linear Basket CLNs or Index Linked CLNs, (1) a portion of the principal amount of each Credit Linked Note equal to the Applicable Proportion (determined by reference to the Reference Entity Notional Amount of the Reference Entity in respect of which the Credit Event occurred) on the relevant Early Redemption Date at the Early Cash Redemption Amount and (2) the remaining portion of each Credit Linked Note at its Final Redemption Amount on the Scheduled Maturity Date; or

(C) if the Credit Event is an M(M)R Restructuring Credit Event, (1) a portion of the principal amount of each Credit Linked Note equal to the Applicable Proportion on the relevant Early Redemption Date at the Early Cash Redemption Amount and (2) the remaining portion of each Credit Linked Note (if any) at its Final Redemption Amount on the Scheduled Maturity Date (save that (where permitted) if another Credit Event Notice is delivered in respect of the Credit Linked Notes, such further Applicable Proportion of the Credit Linked Notes determined by reference to the Exercise Amount specified in the additional Credit Event Notice shall be redeemed in accordance with these Additional CLN Conditions),

in each case irrespective of whether the relevant Credit Event is continuing.

Payment by the Issuer of the Early Cash Redemption Amount shall fully and effectively discharge the Issuer's obligation to redeem the Applicable Proportion of the relevant Credit Linked Note.

**(b) Fallback Redemption**

Without prejudice to the foregoing, but without duplication of settlement, if the Calculation Agent determines:

(i) except where the Swap Counterparty exercises the Movement Option on or prior to the Movement Option Cut-off Date pursuant to Additional CLN Condition 6(c) (*Movement Option*), that with respect to a Credit Event, no Applicable Auction is being, or will be, held; or

(ii) with respect to a Credit Event and any relevant Applicable DC Credit Event Question, Applicable Resolution and/or Applicable Auction, that (A) an Auction Cancellation Date has occurred, (B) a No Auction Announcement Date has occurred (and, in circumstances where such No Auction Announcement Date occurs pursuant to sub-paragraph (b) or sub-paragraph (c)(ii) under the definition of "No Auction Announcement Date", the Swap Counterparty has not exercised the Movement Option), (C) a DC Credit Event Question Dismissal occurs or (D) no Credit Event Resolution Request Date has occurred on or prior to the date falling three Reference Business Days after such relevant Event Determination Date,

then Cash Redemption shall apply and the Issuer shall redeem each Credit Linked Note in accordance with Additional CLN Condition 7 (*Cash Redemption Terms*).

### (c) Movement Option

If "Mod R" or "Mod Mod R" is specified in the relevant Issue Terms, a No Auction Announcement Date has occurred pursuant to sub-paragraph (b) of the definition of "No Auction Announcement Date", and the Swap Counterparty at any time on or prior to the Movement Option Cut-off Date, provides notice of such exercise of the Movement Option to the Issuer (copied to the Issuing and Paying Agent and the Calculation Agent) (who shall (or the Issuing and Paying Agent shall, having been supplied by the Issuer or the Calculation Agent with a notice addressed to the Noteholders, on its behalf) send an equivalent notice to the Noteholders) then, provided that the related Event Determination Date is not reversed on or prior to the relevant Early Redemption Date, redemption of the Applicable Proportion of Credit Linked Notes, shall take place by payment by the Issuer of the Early Cash Redemption Amount on the Early Redemption Date, for which purposes the Early Cash Redemption Amount and the Early Redemption Date shall be determined by reference to the relevant Parallel Auction identified by the Swap Counterparty. If the Swap Counterparty exercises the Movement Option, all references in these Additional CLN Conditions to "Applicable Auction", "Applicable Auction Credit Derivatives Settlement Terms", "Auction Cancellation Date" and "Auction Final Price Determination Date" shall be deemed to be references to the "Parallel Auction", "Parallel Auction Settlement Terms" and "Parallel Auction Cancellation Date" and the terms of these Additional CLN Conditions shall be construed accordingly.

### (d) Auction Final Price of the Asset Package

If an Asset Package Credit Event has occurred and the Auction Final Price for the Applicable Auction reflects the entire relevant Asset Package in respect of the Prior Deliverable Obligation(s) or Package Observable Bond(s) (as applicable) (including any cash forming part of the Asset Package and the Asset Market Value of any Non-Financial Instrument or Non-Transferable Instrument), the Early Cash Redemption Amount shall be determined using the Auction Final Price. If the Calculation Agent determines that the Auction Final Price does not reflect the price of the entire relevant Asset Package, as determined above, the Calculation Agent shall make such adjustment to the Auction Final Price and/or the Early Cash Redemption Amount as it deems necessary to reflect the value of the Asset Package and to preserve the economic effects of the terms of the Credit Linked Notes and for such purposes the Calculation Agent may take into account any method of determining the Asset Market Value of any Asset that is a Non-Transferable Instrument or a Non-Financial Instrument forming part of the Asset Package but that has not been taken into in the Auction Final Price that may be published by the DC Secretary.

## 7 Cash Redemption Terms

### (a) Redemption of Credit Linked Notes where Cash Redemption applies

Notwithstanding anything to the contrary in Master Condition 8 (*Redemption and Purchase*) and provided that no Early Redemption Commencement Date has occurred pursuant to any other Condition as a result of which a Credit Linked Note has, or is in the process of being, redeemed in full and such Credit Linked Note has not been purchased and cancelled as provided for in Master Condition 8 (*Redemption and Purchase*), and subject to Additional CLN Condition 9 (*Effect of DC Announcements*), if (i) a relevant Event Determination Date has occurred with respect to any Reference Entity, and (ii) Auction Redemption does not apply pursuant to Additional CLN Condition 6(b) (*Fallback Redemption*) then Cash Redemption shall apply and following the occurrence of an Early Redemption Commencement Date:

(i) the Calculation Agent shall determine (A) the Value of the Valuation Obligations in accordance with Additional CLN Condition 7(b) (*Determination of the Value of the Valuation Obligations*), (B) the Credit Event Loss Amount and (C) the Affected Swap Value as soon as reasonably practicable, and in any event within five Reference Business Days following the Valuation Obligation Valuation Date (the date upon which the Credit Event Loss Amount and the Affected Swap Value have been determined being the "**CDS Cash Redemption Valuation Date**");

(ii) the Disposal Agent shall effect a Liquidation of an amount of the Collateral (or, where the relevant Issue Terms specify that Classes apply, the relevant Class Collateral) equal to the Applicable Proportion as soon as reasonably practicable and in any event within five Reference Business Days following the Valuation Obligation Valuation Date in accordance with Additional CLN Condition 8 (*Liquidation and Early Redemption*); and

(iii) the Issuer shall redeem:

(A) if the Credit Event is not an M(M)R Restructuring Credit Event, where the Credit Linked Notes are Single Name CLNs, First Default Linear Basket CLNs or First-to-Default Basket CLNs, each Credit Linked Note in whole on the relevant Early Redemption Date at the Early Cash Redemption Amount; or

(B) if the Credit Event is not an M(M)R Restructuring Credit Event, where the Credit Linked Notes are Linear Basket CLNs or Index Linked CLNs, (1) a portion of the principal amount of each Credit Linked Note equal to the Applicable Proportion (determined by reference to the Reference Entity Notional Amount of the Reference Entity in respect of which the Credit Event occurred) on the relevant Early Redemption Date at the Early Cash Redemption Amount and (2) the remaining portion of each Credit Linked Note at its Final Redemption Amount on the Scheduled Maturity Date; or

(C) if the Credit Event is an M(M)R Restructuring Credit Event, (1) a portion of the principal amount of each Credit Linked Note equal to the Applicable Proportion on the relevant Early Redemption Date at the Early Cash Redemption Amount and (2) the remaining portion of each Credit Linked Note (if any) at its Final Redemption Amount on the Scheduled Maturity Date (save that (where permitted) if another Credit Event Notice is delivered in respect of the Credit Linked Notes, such further Applicable Proportion of the Credit Linked Notes determined by reference to the Exercise Amount specified in the additional Credit Event Notice shall be redeemed in accordance with these Additional CLN Conditions),

in each case irrespective of whether the relevant Credit Event is continuing.

Payment by the Issuer of the Early Cash Redemption Amount shall fully and effectively discharge the Issuer's obligation to redeem the Applicable Proportion of the relevant Credit Linked Note.

**(b) Determination of the Value of the Valuation Obligations**

(i) The Value of the Valuation Obligations will be determined by the Calculation Agent within 120 Reference Business Days of the relevant Event Determination Date (unless otherwise specified in the relevant Issue Terms), the date of such determination being the "**Valuation Obligation Valuation Date**".

(ii) If:

(A) "Include Accrued Interest" is specified in the relevant Issue Terms, the Outstanding Principal Balance of the Valuation Obligations shall include accrued but unpaid interest;

(B) "Exclude Accrued Interest" is specified in the relevant Issue Terms, the Outstanding Principal Balance of the Valuation Obligations shall not include accrued but unpaid interest; or

(C) neither "Include Accrued Interest" nor "Exclude Accrued Interest" is specified in the relevant Issue Terms, the Calculation Agent shall determine, based on the then current market practice in the market of the Valuation Obligation whether the Outstanding Principal Balance of the Valuation Obligation shall include or exclude accrued but unpaid interest and, if applicable, the amount thereof.

(iii) The Calculation Agent shall, as soon as reasonably practicable after determining the Value of the Valuation Obligations, notify the Issuer, the Swap Counterparty, the Disposal Agent and the Issuing and Paying Agent in writing of (A) the Valuation Obligations of the Reference Entity which the Calculation Agent has used to calculate the Value of the Valuation Obligations, and (B) the Value of the Valuation Obligations and the Issuer (or the Issuing and Paying Agent, having been supplied by the Issuer or the Calculation Agent with a notice addressed to the Noteholders, on its behalf) will deliver a copy of such notice to the Noteholders in accordance with Master Condition 22 (*Notices*) (provided that any failure to give such notice to the Noteholders shall not affect any determination made by the Calculation Agent or the rights of the Issuer to redeem the Applicable Proportion of the Credit Linked Notes).

(iv) If an Asset Package Credit Event has occurred, (A) valuation of a Prior Deliverable Obligation or Package Observable Bond specified in the notice to the Trustee may be satisfied by valuation of the related Asset Package and such Asset Package shall be treated as having the same currency and Outstanding Principal Balance as that of the Prior Deliverable Obligation or Package Observable Bond, as applicable, to which it corresponds immediately prior to the Asset Package Credit Event, (B) if the Asset Package is zero, a Quotation shall be deemed to have been obtained for the Outstanding Principal Balance of the Prior Deliverable Obligation or Package Observable Bond (as applicable) equal to zero, and (C) for any other Asset Package the Calculation Agent shall determine the value of the Asset Package and a Quotation shall be deemed to have been obtained for such valuation provided that the Calculation Agent may obtain Quotations for some or all of the components of the Asset Package and/or take account of any method of determining the Asset Market Value of any Asset that is a Non-Transferable Instrument or a Non-Financial Instrument that may be published by the DC Secretary.

## 8 Liquidation and Early Redemption

Following the occurrence of a relevant Event Determination Date and an Early Redemption Commencement Date in respect of a Series (or, where the relevant Issue Terms specify that Classes apply, a Class), for the purposes of determining the Early Cash Redemption Amount payable on the relevant Early Redemption Date and redeeming such Notes the following shall apply:

(i) the Disposal Agent shall effect a Liquidation of an amount of the Collateral (or, where the relevant Issue Terms specify that Classes apply, the relevant Class Collateral) equal to the Applicable Proportion in accordance with Master Condition 13(b) (*Liquidation process*), but for this purpose:

(A) the Disposal Agent shall seek to Liquidate an amount of the Collateral (or, where the relevant Issue Terms specify that Classes apply, the relevant Class Collateral) equal to the Applicable Proportion as soon as reasonably practicable, and in any event within five Reference Business Days following the Auction Final Price Determination Date or the Valuation Obligation Valuation Date, as the case may be (the "**Credit Liquidation Period**"); and

(B) the Disposal Agent shall request up to five Quotation Dealers to provide its all-in, firm executable bid price (a "**Collateral Quotation**") in the Base Currency to purchase an amount of the Collateral (or, where the relevant Issue Terms specify that Classes apply, the relevant Class Collateral) equal to the Applicable Proportion on a day within the Credit Liquidation Period, and it shall sell such amount of Collateral on such a date to the Quotation Dealer who provides the highest Collateral Quotation, save that where no Quotations are obtained, the Disposal Agent shall determine the fair market value of the Collateral (or, where the relevant Issue Terms specify that Classes apply, the relevant Class Collateral) equal to the Applicable Proportion,

and for the avoidance of doubt, where the Credit Liquidation Period and/or number of Quotations to be obtained differ from those specified above, the relevant Credit Liquidation Period and/or number of Quotations to be obtained shall be set out in the applicable Issue Terms;

(ii) the Calculation Agent shall determine the Affected Swap Value as soon as reasonably practicable, and in any event on a day within the Credit Liquidation Period;

(iii) if the applicable Issue Terms specify that Classes apply, in respect of a Class of Credit Linked Notes for which the Specified Currency is not the Base Currency, the Disposal Agent shall make arrangements for the Issuer to convert the relevant Early Cash Redemption Amount, into the Specified Currency at the spot foreign exchange rate prevailing at 5:00 p.m. London time (or such other time as is specified in the applicable Issue Terms) on the relevant Credit Event Valuation Date or CDS Cash Redemption Valuation Date, as applicable, for sale of the relevant non-Specified Currency and purchase of the Specified Currency; and

(iv) following such Liquidation and, where applicable, conversion into the Specified Currency in accordance with the foregoing sub-paragraphs of this Additional CLN Condition 8, the Disposal Agent shall transfer such realised monies to the relevant Cash Accounts (as defined in the Agency Agreement) of the Issuer held with the Custodian not later than one Business Day prior to the date on which the Issuer is to make any payment to the Noteholders or Swap Counterparty.

## 9 Effect of DC Announcements

### (a) Reversal of DC Credit Event Announcement

If an Event Determination Date is subsequently reversed prior to the relevant Auction Final Price Determination Date, a Valuation Obligation Valuation Date, an Early Redemption Date or the Scheduled Maturity Date, a Credit Event shall be deemed not to have occurred with respect to the Reference Entity for the purposes of these Additional CLN Conditions.

### (b) Linear Basket CLNs and Index Linked CLNs

Where the Credit Linked Notes are Linear Basket CLNs or Index Linked CLNs, an Event Determination Date may occur in respect of each Reference Entity specified in the relevant Issue Terms provided that, other than in respect of an M(M)R Restructuring, an Event Determination Date shall apply only once to each such Reference Entity.

### (c) Redemption Suspension

If, following the occurrence of a relevant Event Determination Date but prior to the relevant Early Redemption Date or, to the extent applicable, an Auction Final Price Determination Date or a Valuation Obligation Valuation Date in respect of a Reference Entity, there is an Applicable DC Credit Event Meeting Announcement, all timing requirements in these Additional CLN Conditions that pertain to settlement shall toll and remain suspended until the date of the Applicable DC Credit Event Announcement or Applicable DC Credit Event Question Dismissal, as applicable. During such suspension period, the Issuer is not obliged to take any action in connection with the settlement of such Credit Event or the redemption, if any, of the Credit Linked Notes. Once the relevant DC Credit Event Announcement or DC Credit Event Question Dismissal has occurred, the relevant timing requirements that pertain to settlement that have previously tolled or been suspended shall resume on the Reference Business Day following such public announcement by the DC Secretary with the Issuer having the benefit of the full day notwithstanding when the tolling or suspension began. The Calculation Agent shall deliver to the Issuer, and the Issuer (or the Issuing and Paying Agent, having been supplied by the Issuer or the Calculation Agent with a notice addressed to the Noteholders, on its behalf) shall deliver a notice in accordance with Master Condition 22 (*Notices*) to the Noteholders giving notice of any suspension or resumption of timing requirements pursuant to this Additional CLN Condition 9.

## 10 Fixed Recovery Redemption Terms

### (a) Redemption at the Fixed Recovery Redemption Amount

Subject to Additional CLN Condition 9 (*Effect of DC Announcements*), if a relevant Event Determination Date has occurred with respect to any Reference Entity and "Fixed Recovery Redemption" is specified as the Credit Event Settlement Method in the relevant Issue Terms, provided that no Early Redemption Commencement Date has occurred pursuant to any other Condition as a result of which a Credit Linked Note has, or is in the process of being, redeemed in full and such Credit Linked Note has not been purchased and cancelled, then following the occurrence of an Early Redemption Commencement Date:

(i) the Calculation Agent shall determine the Credit Event Loss Amount and the Affected Swap Value as soon as reasonably practicable, and in any event within five Reference Business Days following the relevant Event Determination Date (the date upon which the Credit Event Loss Amount and the Affected Swap Value have been determined being the "**Fixed Recovery Valuation Date**");

(ii) the Disposal Agent shall effect a Liquidation of an amount of the Collateral (or, where the relevant Issue Terms specify that Classes apply, the relevant Class Collateral) equal to the Applicable Proportion as soon as reasonably practicable and in any event within five Reference Business Days following the relevant Event Determination Date in accordance with Additional CLN Condition 8 (*Liquidation and Early Redemption*); and

(iii) the Issuer shall redeem the Applicable Proportion of each Credit Linked Note on the Early Redemption Date at the Early Cash Redemption Amount.

### (b) Fixed Recovery Percentage of zero

If the Fixed Recovery Percentage is zero, following the occurrence of a relevant Event Determination Date, the occurrence of the Early Redemption Date shall fully and effectively discharge the Issuer's obligation to redeem the Applicable Proportion of the relevant Credit Linked Note. For the avoidance of doubt, following the occurrence of an applicable Early Redemption Date the Issuer shall not be required to make any payment to the Noteholder on account of principal and/or interest in respect of the Applicable Proportion.

## 11 Successor Provisions

### (a) Successor determinations

The Calculation Agent will be responsible for determining, as soon as reasonably practicable after delivery of a Successor Notice and with effect from the Succession Date, any Successor or Successors provided that the Calculation Agent will not make such determination if, at the time of the determination, the DC Secretary has publicly announced that the relevant Credit Derivatives Determinations Committee has Resolved that there is no Successor based on the relevant succession to Relevant Obligations.

The Calculation Agent will make all calculations and determinations required to be made under this definition on the basis of Eligible Information and will notify the Issuer and the Issuing and Paying Agent of any such calculation or determination as soon as practicable. In calculating the percentages used to determine whether an entity qualifies as a Successor under this Additional CLN Condition 11(a), if there is a Steps Plan, the Calculation Agent shall consider all related successions in respect of such Steps Plan in aggregate as if forming part of a single succession.

### (b) Multiple Successors

Following a Succession Date if more than one Successor has been identified, the Credit Linked Notes will be amended without the consent of the Noteholders or of the Trustee or any other Transaction Party being required to reflect the following terms:

(i) each Successor will be a Reference Entity and more than one Credit Event may occur during the Term of the Credit Linked Notes in respect thereof but, subject to Additional CLN Condition 5 (*Exercise Amounts in respect of M(M)R Restructuring*), once only in relation to each Successor;

(ii) where a Credit Event occurs in respect of a Reference Entity after such Succession Date, the Credit Linked Notes will not redeem in whole in respect of a Successor (except where it is the last remaining Reference Entity) but instead the provisions of these Additional CLN Conditions shall be deemed to apply to the Reference Entity Notional Amount represented by that Reference Entity only after division in accordance with sub-paragraph (iii) below, the Credit Linked Notes shall be redeemed in part and the Additional CLN Conditions and/or the Issue Terms shall be construed accordingly;

(iii) in the case of Linear Basket CLNs and Index Linked CLNs, the Reference Entity Notional Amount of the original Reference Entity will be divided equally between the number of Successors and the Calculation Agent shall determine the relevant type of Reference Entity (including any relevant Reference Entity Obligation and Deliverable Obligation

Category and Deliverable Obligation Characteristics) by reference to market practice in such type of Reference Entity;

(iv) if a single entity would be a Reference Entity hereunder more than once:

(A) where the Credit Linked Notes are Single Name CLNs, First-to-Default Basket CLNs or First Default Linear Basket CLNs, the Reference Entity shall be deemed to be specified only once (and such change shall have no effect on the Aggregate Nominal Amount of the Single Name CLNs, First-to-Default Basket CLNs or First Default Linear Basket CLNs, as applicable); and

(B) where the Credit Linked Notes are Linear Basket CLNs or Index Linked CLNs, that Reference Entity shall be deemed to be a Reference Entity only once, and the Reference Entity Notional Amount for such Reference Entity will be the sum of the Reference Entity Notional Amounts otherwise applicable to it (and such change shall have no effect on the Aggregate Nominal Amount of the Linear Basket CLNs or Index Linked CLNs, as applicable); and

(v) upon the identification of any Successor, the Issuer shall give notice as soon as reasonably practicable to the Noteholders giving details of any such Successors and/or any amendments made to the Conditions, provided that the failure to give such notice shall not affect the validity of such event and any amendments made to the Conditions to give effect to such event.

**(c) Exchange offer**

In the case of an exchange offer, the determination required pursuant to sub-paragraph (a) of the definition of "Successor" shall be made on the basis of the outstanding principal balance of Relevant Obligations exchanged and not on the basis of the outstanding principal balance of the Exchange Bonds or Loans.

**(d) Joint Potential Successors**

If two or more entities (each, a "**Joint Potential Successor**") jointly succeed to a Relevant Obligation (the "**Joint Relevant Obligation**") either directly or as a provider of a Relevant Guarantee, then (a) if the Joint Relevant Obligation was a direct obligation of the Reference Entity, it shall be treated as having been succeeded to by the Joint Potential Successor (or Joint Potential Successors, in equal parts) which succeeded to such Joint Relevant Obligation as direct obligor or obligors, or (b) if the Joint Relevant Obligation was a Relevant Guarantee, it shall be treated as having been succeeded to by the Joint Potential Successor (or Joint Potential Successors, in equal parts) which succeeded to such Joint Relevant Obligation as guarantor or guarantors, if any, or otherwise by each Joint Potential Successor in equal parts.

**(e) Eligible Successors**

An entity may only be a Successor if:

(i) either (A) the related Succession Date occurs on or after the Successor Backstop Date, or (B) such entity is a Universal Successor in respect of which the Succession Date occurred on or after 1 January 2014;

(ii) the Reference Entity had at least one Relevant Obligation outstanding immediately prior to the Succession Date and such entity succeeds to all or part of at least one Relevant Obligation of the Reference Entity; and

(iii) where the Reference Entity is a Sovereign, such entity succeeded to the Relevant Obligations by way of a Sovereign Succession Event.

## 12 Multiple Holder Obligation

Unless "Multiple Holder Obligation" is specified to be not applicable in the relevant Issue Terms, then none of the events described in sub-paragraphs (i) to (iv) of the definition of "Restructuring" shall constitute a Restructuring unless the Reference Entity Obligation is a Multiple Holder Obligation, where "**Multiple Holder Obligation**" means a Reference Entity Obligation that (a) at the time of the event which constitutes a Restructuring Credit Event is held by more than three holders that are not Affiliates of each other and (b) with respect to which a percentage of holders (determined pursuant to the terms of the Reference Entity Obligation as in effect on the date of such event) at least equal to sixty-six-and two-thirds is required to consent to the event which constitutes a Restructuring Credit Event (provided that sub-paragraph (b) shall be deemed to be satisfied where the Reference Entity Obligation is a Bond).

## 13 Reference Obligation

### (a) Standard Reference Obligation and Non-Standard Reference Obligation

(i) If "Standard Reference Obligation" is specified as applicable in the relevant Issue Terms, then the Reference Obligation for the relevant Reference Entity will be the Standard Reference Obligation, which is the obligation of the relevant Reference Entity with the relevant Seniority Level specified from time to time on the SRO List published by ISDA on its website at www.isda.org from time to time (or any successor website thereto) or by a third party designated by ISDA for such purposes (if any), provided that:

(A) if there is no Standard Reference Obligation; and

(B) a Reference Obligation is specified in the relevant Issue Terms for the purposes of comprising a Non-Standard Reference Obligation,

the relevant Reference Obligation shall be (x) the Non-Standard Reference Obligation to but excluding the first date of publication of the Standard Reference Obligation and (y) the Standard Reference Obligation from such date onwards, provided that the Standard Reference Obligation that is published would have been eligible to be selected as a Substitute Reference Obligation.

(ii) If "Standard Reference Obligation" is not specified as applicable in the relevant Issue Terms then the Reference Obligation(s) for the relevant Reference Entity will be each Non-Standard Reference Obligation specified in the relevant Issue Terms for such Reference Entity.

### (b) Substitute Reference Obligation

(i) If a Substitution Event has occurred with respect to a Non-Standard Reference Obligation, the Calculation Agent shall identify a Substitute Reference Obligation in accordance with sub-paragraphs (iii), (iv) and (v) of this Additional CLN Condition 13(b) to replace such Non-Standard Reference Obligation; provided that the Calculation Agent will not identify an obligation as the Substitute Reference Obligation if, at the time of the determination, such obligation has already been rejected as the Substitute Reference Obligation by the relevant Credit Derivatives Determinations Committee and such obligation has not changed materially since the date of the relevant DC Resolution.

(ii) If any of the events set forth under sub-paragraph (a)or (c) of the definition of "Substitution Event" have occurred with respect to a Non-Standard Reference Obligation, such Non-Standard Reference Obligation will cease to be the Reference Obligation (other than for purposes of the "Not Subordinated" Obligation Characteristic or "Not Subordinated" Deliverable Obligation Characteristic and sub-paragraph (iii)(B) of this Additional CLN Condition 13(b)). If the event set forth in sub-paragraph (b) of the definition of "Substitution Event" has occurred with respect to a Non-Standard Reference Obligation and no Substitute Reference Obligation is available, such Non-Standard Reference Obligation will continue to be a Reference Obligation until the Substitute Reference Obligation is identified or, if earlier, until any of the events set forth under sub-paragraph (a) or (c) of the definition of "Substitution Event" occur with respect to such Non-Standard Reference Obligation.

(iii) The Substitute Reference Obligation shall be an obligation that on the Substitution Date:

(A) is a Borrowed Money obligation of the Reference Entity (either directly or as provider of a guarantee);

(B) satisfies the Not Subordinated Deliverable Obligation Characteristic as of the date it was issued or incurred (without reflecting any change in the priority of payment after such date) and on the Substitution Date; and

(C)

(I) if the Non-Standard Reference Obligation was a Conforming Reference Obligation when issued or incurred and immediately prior to the Substitution Event Date:

1. is a Deliverable Obligation (other than a Loan) determined in accordance with sub-paragraph (a) of the definition of "Deliverable Obligation"; or if no such obligation is available; or

2. is a Loan (other than a Private-side Loan) which constitutes a Deliverable Obligation determined in accordance with sub-paragraph (a) of the definition of "Deliverable Obligation";

(II) if the Non-Standard Reference Obligation was a Bond (or any other Borrowed Money obligation other than a Loan) which was a Non-Conforming Reference Obligation when issued or incurred and/or immediately prior to the Substitution Event Date:

1. is a Non-Conforming Substitute Reference Obligation (other than a Loan); or if no such obligation is available,

2. is a Deliverable Obligation (other than a Loan) determined in accordance with sub-paragraph (a) of the definition of "Deliverable Obligation"; or if no such obligation is available,

3. is a Non-Conforming Substitute Reference Obligation which is a Loan (other than a Private-side Loan); or if no such obligation is available,

4. is a Loan (other than a Private-side Loan) which constitutes a Deliverable Obligation determined in accordance with sub-paragraph (a) of the definition of "Deliverable Obligation"; or

(III) if the Non-Standard Reference Obligation was a Loan which was a Non-Conforming Reference Obligation when incurred and/or immediately prior to the Substitution Event Date:

1. is a Non-Conforming Substitute Reference Obligation which is a Loan (other than a Private-side Loan); or if no such obligation is available,

2. is a Non-Conforming Substitute Reference Obligation (other than a Loan); or if no such obligation is available,

3. is a Deliverable Obligation (other than a Loan) determined in accordance with sub-paragraph (a) of the definition of "Deliverable Obligation"; or if no such obligation is available,

4. is a Loan (other than a Private-side Loan) which constitutes a Deliverable Obligation determined in accordance with sub-paragraph (a) of the definition of "Deliverable Obligation".

(iv) If more than one potential Substitute Reference Obligation is identified pursuant to the process described in sub-paragraph (iii) of this Additional CLN Condition 13(b), the Substitute Reference Obligation will be the potential Substitute Reference Obligation that most closely preserves the economic equivalent of the delivery and payment obligations of the Issuer under the relevant Series, as determined by the Calculation Agent. The Calculation Agent will (if a Substitute Reference Obligation has not been identified) notify the Issuer of a Substitute Reference Obligation as soon as reasonably practicable after it has been identified in accordance with sub-paragraph (iii) of this Additional CLN Condition 13(b) and the Substitute Reference Obligation shall replace the Non-Standard Reference Obligation immediately upon such notification.

(v) If a Substitution Event has occurred with respect to the Non-Standard Reference Obligation and the Calculation Agent determines that no Substitute Reference Obligation is available for the Non-Standard Reference Obligation then, subject to sub-paragraph (i) of this Additional CLN Condition 13(b) and notwithstanding the fact that the Non-Standard Reference Obligation may have ceased to be the Reference Obligation in accordance with sub-paragraph (ii) of this Additional CLN Condition 13(b), the Calculation Agent may continue to attempt to identify the Substitute Reference Obligation.

**(c) Reference Obligation Only Series**

(i) If the event set out in sub-paragraph (a) of the definition of "Substitution Event" occurs with respect to the Reference Obligation in a Series in respect of a Reference Entity to which "Reference Obligation Only" applies, and such Reference Obligation is the only Reference Obligation for such Reference Entity, the Applicable Proportion of the Credit Linked Notes shall be redeemed at the fair market value of the Applicable Proportion of the Credit Linked Notes determined by the Calculation Agent as at the Substitution Event Date. The Calculation Agent shall deliver to the Issuer and the Issuer (or the Issuing and Paying Agent, having been supplied by the Issuer or the Calculation Agent with a notice addressed to the Noteholders, on its behalf) shall deliver a notice in accordance with Master Condition 22 (*Notices*) to the Noteholders stating the occurrence of such Substitution Event and setting out the Early Redemption Date in respect thereof, which shall be a date not earlier than the relevant Substitution Event Date.

(ii) Notwithstanding the definition of "Substitute Reference Obligation" (a) no Substitute Reference Obligation shall be determined in respect of the Reference Obligation for a Reference Entity to which "Reference Obligation Only" applies, and (b) if the events set out in sub-paragraph (b) or (c) of the definition of "Substitution Event" occur with respect to the Reference Obligation to which "Reference Obligation Only" applies, such Reference Obligation shall continue to be the Reference Obligation.

**(d) DC Substitute Reference Obligation Resolution**

Notwithstanding the provision of this Additional CLN Condition 13, the Calculation Agent shall select as the Substitute Reference Obligation for a Series an obligation of the relevant Reference Entity which is determined by DC Resolution to be the Substitute Reference Obligation to a Non-Standard Reference Obligation.

## 14 LPN Reference Entities

In respect of each Reference Entity, if the applicable "Transaction Type" is specified as "Standard Emerging European Corporate LPN" in the relevant Issue Terms, the following provisions shall apply:

(a) Multiple Holder Obligation will be "Not Applicable" with respect to any Reference Obligation (and any Underlying Loan);

(b) each Reference Obligation will be a Reference Entity Obligation notwithstanding anything to the contrary in the Additional CLN Conditions, and in particular, notwithstanding that the obligation is not an obligation of the Reference Entity;

(c) each Reference Obligation will be a Deliverable Obligation notwithstanding anything to the contrary in the Additional CLN Conditions, and in particular, notwithstanding that the obligation is not an obligation of such Reference Entity;

(d) with respect to any LPN Reference Obligation that specifies an Underlying Loan or an Underlying Finance Instrument, the Outstanding Principal Balance shall be determined by reference to the Underlying Loan or Underlying Finance Instrument (as applicable) relating to such LPN Reference Obligation; and

(e) the "Not Subordinated" Obligation Characteristic and Deliverable Obligation Characteristic shall be construed as if no Reference Obligation was specified in respect of such Reference Entity.

## 15 Change in Standard Hedging Terms

If the Calculation Agent determines that a Change in Standard Hedging Terms has occurred, it may (but has no obligation to) make such amendments to the terms of any of the Notes and/or the Transaction Documents as it determines (acting in good faith and a commercially reasonable manner) are appropriate to account for the effect (including, without limitation, the economic effect) of such Change in Standard Hedging Terms on any hedging activities the Swap Counterparty (and/or any of its affiliates) may enter into in connection with the Notes.

Notwithstanding the foregoing, any amendment that would affect the rights, obligations or duties of any of the Trustee, Issuing and Paying Agent, Paying Agent or Custodian can only be made with the agreement of any such person.

The Calculation Agent will notify the Issuer, the relevant Transaction Parties (including the Issuing and Paying Agent), the relevant clearing system(s) and the Noteholders in writing (such notice, an

"**Amendment Notice**") and, ten Business Days following the Calculation Agent giving such Amendment Notice, such amendments shall be binding on the Issuer, the relevant Transaction Parties and the Noteholders.

## 16 Definitions

The following definitions which relate to the Credit Linked Notes should be read in conjunction with the Additional CLN Conditions:

"**Accelerated or Matured**" means an obligation under which the principal amount owed, whether by reason of maturity, acceleration, termination or otherwise, is due and payable in full in accordance with the terms of such obligation, or would have been but for, and without regard to, any limitation imposed under any applicable insolvency laws.

"**Additional LPN**" means any bond issued in the form of a loan participation note (an "**LPN**") by an entity (the "**LPN Issuer**") for the sole purpose of providing funds for the LPN Issuer to:

(a) finance a loan to the Reference Entity (the "**Underlying Loan**"); or

(b) provide finance to the Reference Entity by way of a deposit, loan or other Borrowed Money instrument (the "**Underlying Finance Instrument**"),

provided that,

(i) either

(A) in the event that there is an Underlying Loan with respect to such LPN such Underlying Loan satisfies the Obligation Characteristics specified in respect of the Reference Entity; or

(B) in the event that there is an Underlying Finance Instrument with respect to such LPN such Underlying Finance Instrument satisfies the Not Subordinated, Not Domestic Law and Not Domestic Currency Obligation Characteristics;

(ii) the LPN satisfies the following Deliverable Obligation Characteristics: Transferable, Not Bearer, Specified Currency – Standard Specified Currencies, Not Domestic Law, Not Domestic Issuance; and

(iii) the LPN Issuer has, as of the issue date of such obligation, granted a First Ranking Interest over or in respect of certain of its rights in relation to the relevant Underlying Loan or Underlying Finance Instrument (as applicable) for the benefit of the holders of the LPNs.

"**Additional Obligation**" means each of the obligations listed as an Additional Obligation of the Reference Entity in the Issue Terms or set forth on the relevant LPN Reference Obligations List, as published by Markit Group Limited, or any successor thereto, as of the Trade Date, which list is currently available at http://www.markit.com/product/Reference-Data-CDS.

"**Affected Reference Entity**" means a Reference Entity in respect of which a Credit Event and a relevant Event Determination Date has occurred.

"**Affected Swap Gain**" means (i) where the Affected Swap Value would be payable to the Issuer, the absolute value of the Affected Swap Value, or (ii) otherwise, zero.

"**Affected Swap Loss**" means (i) where the Affected Swap Value would be payable to the Swap Counterparty, the absolute value of the Affected Swap Value, or (ii) otherwise, zero.

"**Affected Swap Value**" means, for the purposes of the Credit Event Valuation Date or CDS Cash Redemption Valuation Date or Fixed Recovery Valuation Date, as applicable, an amount determined by the Calculation Agent in the Base Currency equal to the Early Termination Amount (as defined in the Related Swap) of the Related Swap that would be payable by the Issuer to the Swap Counterparty or by the Swap Counterparty to the Issuer, under the Related Swap upon a termination of the Related Swap on the Credit Event Valuation Date or CDS Cash Redemption Valuation Date, as applicable. Such Early Termination Amount shall be determined on the basis that:

(a) the Swap Counterparty is not the Affected Party;

(b) the Related Swap:

(i) in the case of Credit Linked Notes other than First Default Linear Basket CLNs, relates to (x) a notional amount of Credit Linked Notes equal to the Applicable Proportion; and (y) a principal amount of Original Collateral equal to the Applicable Proportion;

(ii) in the case of First Default Linear Basket CLNs:

(A) includes the portion of the CDS relating to each Non-Affected Reference Entity; and

(B) excludes the portion of the CDS relating to the Affected Reference Entity;

(c) where the Credit Linked Series of Notes comprises Classes, the Related Swap is deemed for this purpose to comprise only the Swap Transaction in respect of the relevant Class and the portion of the Credit Support Annex relating thereto;

(d) the Swap Counterparty's claim to any Early Termination Amount payable by the Issuer shall be limited to the prevailing value of a principal amount of Original Collateral (or, where the Credit Linked Series of Notes comprises Classes, the Class Collateral) equal to the Applicable Proportion on the Credit Event Valuation Date, CDS Cash Redemption Valuation Date or Fixed Recovery Valuation Date;

(e) the Calculation Agent is the Determining Party and Section 6(e)(ii)(1) of the Related Swap applies but without reference to Section 6(e)(ii)(3) thereof; and

(f) where either of the Issuer or the Swap Counterparty have a Credit Support Balance under the Credit Support Annex, such Credit Support Balance (or, where the Series comprises Classes, a proportion of such Credit Support Balance determined to relate to the Swap Transaction for the relevant Class) shall be taken into account in determining an Unpaid Amount.

"**Affiliate**" means, in relation to any person, any entity controlled, directly or indirectly, by the person, any entity that controls, directly or indirectly, the person or any entity directly or indirectly under common control with the person. For this purpose, "**control**" of any entity or person means ownership of a majority of the voting power of the entity or person.

"**Aggregate Nominal Amount**" means, on the Issue Date, the aggregate nominal amount of the Credit Linked Notes of such Series specified in the relevant Issue Terms and, on any date thereafter, the aggregate nominal amount of such Credit Linked Notes of such Series outstanding on such date, taking into account any amortisations, partial redemptions (including pursuant to the Additional CLN Conditions) and further issues of such Credit Linked Notes of such Series on or prior to such date.

"**Amendment Notice**" has the meaning given to it in Additional CLN Condition 15 (*Change in Standard Hedging Terms*).

"**Applicable Auction**" means an Auction which the Calculation Agent determines, taking into account the terms of the Series, is relevant to a Credit Event with respect to a Reference Entity and Reference Entity Obligations thereof and which relates to deliverable obligations which would constitute Reference Obligation(s) and/or Deliverable Obligation(s), as applicable, under the Credit Linked Notes (or if an Asset Package Credit Event has occurred, which relates to the Asset Package for obligations which would constitute Prior Deliverable Obligation(s) or Package Observable Bond(s), as applicable, under the Credit Linked Notes) (for which purpose the Calculation Agent may take into account the credit derivatives transaction(s) and the relevant seniority level thereof, credit event, reference entity, obligations and deliverable obligations to which the Auction relates and, if the Auction relates to an M(M)R Restructuring, the scheduled maturity date of the Credit Linked Notes and the scheduled termination date of the credit derivatives transactions covered by the Auction and the maturity date of the deliverable obligations to which the Auction relates.

"**Applicable Credit Derivatives Auction Settlement Terms**" means, with respect to a Reference Entity, a Credit Event and an Applicable Auction, the Credit Derivatives Auction Settlement Terms (if any) which the Calculation Agent determines, taking into account the terms of the Series, are relevant to the Credit Linked Notes (for which purpose the Calculation Agent may take into account the credit derivatives transaction(s) and the relevant seniority level thereof, credit event, reference entity, obligation(s), deliverable obligations, Package Observable Bonds and Prior Deliverable Obligations (as applicable) which are the subject of the relevant Credit Derivatives Auction Settlement Terms and the Credit Events, Reference Entities and Reference Entity Obligations and Deliverable Obligations under the Credit Linked Notes. The Calculation Agent shall, as soon as practicable after the relevant Applicable Credit Derivatives Auction Settlement Terms are published, notify the Issuer that Applicable Credit Derivatives Auction Settlement Terms have been published with respect to a Reference Entity and a Credit Event.

"**Applicable DC Credit Event Announcement**" means a DC Credit Event Announcement which the Calculation Agent determines, taking into account the terms of the Series is relevant to the Credit Linked Notes (for which purpose the Calculation Agent may take into account the credit derivatives transaction(s), credit event, reference entity and obligation(s) thereof to which such DC Credit Event Announcement relates and the terms of the Credit Linked Notes.

"**Applicable DC Credit Event Meeting Announcement**" means a DC Credit Event Meeting Announcement which the Calculation Agent determines, taking into account the terms of the Series, is relevant to the Credit Linked Notes (for which purpose the Calculation Agent may take into account the credit derivatives transaction(s), credit event, reference entity and obligation(s) thereof which are the subject of the DC Credit Event Meeting Announcement).

"**Applicable DC Credit Event Question**" means a DC Credit Event Question which the Calculation Agent determines, taking into account the terms of the Series, is relevant to the Credit Linked Notes (for which purpose the Calculation Agent may take into account the credit derivatives transaction(s), credit event, reference entity and obligation(s) thereof which are the subject of the DC Credit Event Question).

"**Applicable DC Credit Event Question Dismissal**" means a DC Credit Event Question Dismissal which the Calculation Agent determines, taking into account the terms of the Series, is relevant to the Credit Linked Notes (for which purpose the Calculation Agent may take into account the credit derivatives transaction(s), credit event, reference entity and obligation(s) thereof which are the subject of the DC Credit Event Question Dismissal).

"**Applicable DC No Credit Event Announcement**" means a DC No Credit Event Announcement which the Calculation Agent determines, taking into account the terms of the Series, is relevant to the

Credit Linked Notes (for which purpose the Calculation Agent may take into account the credit derivatives transaction(s), credit event, reference entity and obligation(s) thereof which are the subject of the DC No Credit Event Announcement and the Credit Events, Reference Entities and Reference Entity Obligations thereof under the Credit Linked Notes.

"**Applicable Proportion**" means, in respect of a relevant Event Determination Date:

(a) where the Credit Linked Note is a Single Name CLN, a First-to-Default Basket CLN or a First Default Linear Basket CLN and redemption is not as a result of an M(M)R Restructuring Credit Event, 100 per cent.; or

(b) where the Credit Linked Note is a Linear Basket CLN or an Index Linked CLN and redemption is not as a result of an M(M)R Restructuring Credit Event, the Weighting of the Affected Reference Entity; or

(c) if the redemption is as a result of an M(M)R Restructuring Credit Event:

(i) in the case of a Single Name CLN, an amount (expressed as a percentage) equal to the Exercise Amount specified in the relevant Credit Event Notice relating to the Affected Reference Entity divided by the Aggregate Nominal Amount of the Credit Linked Notes;

(ii) in the case of a First-to-Default Basket CLN, an amount (expressed as a percentage) equal to the sum of (A) the Exercise Amount specified in the relevant Credit Event Notice relating to the Affected Reference Entity, multiplied by the Weighting of the Affected Reference Entity, divided by the relevant Reference Entity Notional Amount and (B) the Reference Entity Notional Amount of each outstanding Non-Affected Reference Entity (if any);

(iii) in the case of a First Default Linear Basket CLN, 100 per cent.; or

(iv) in the case of a Linear Basket CLN or an Index Linked CLN, an amount (expressed as a percentage) equal to the Exercise Amount specified in the relevant Credit Event Notice relating to the Affected Reference Entity, multiplied by the Weighting of the Affected Reference Entity, divided by the relevant Reference Entity Notional Amount,

provided that where the Applicable Proportion is applied pursuant to an Additional CLN Condition in respect of:

(A) any Collateral, Original Collateral or Class Collateral, it shall be construed as applying to the outstanding nominal amount of such Collateral, Original Collateral or Class Collateral, or

(B) the entire Series or, where applicable, relevant Class of Credit Linked Notes (and not to a Credit Linked Note individually) or is being used to determine the Credit Event Loss Amount, it shall be applied to the Aggregate Nominal Amount of the Credit Linked Notes or relevant Class, as applicable.

"**Applicable Resolution**" means a DC Resolution of a Credit Derivatives Determinations Committee which the Calculation Agent determines, taking into account the terms of the Series, is relevant to the Credit Linked Notes (for which purpose the Calculation Agent may take into account (a) the credit derivatives transaction(s), credit event, succession event, reference entity and obligation(s) thereof and any other factor to which the DC Resolution relates and the terms of the Credit Linked Notes and (b) any hedging transaction that the Issuer has entered or may enter into in connection with the Credit Linked Notes).

"**Applicable Transaction Auction Settlement Terms**" means, with respect to a Reference Entity and a Credit Event, the relevant Credit Derivatives Auction Settlement Terms which the Calculation Agent determines, taking into account the terms of the Series, constitute Applicable Credit Derivatives Auction Settlement Terms.

"**Asset**" means each obligation, equity, amount of cash, security, fee (including any "early-bird" or other consent fee), right and/or other asset, whether tangible or otherwise and whether issued, incurred, paid or provided by the Reference Entity or a third party (or any value which was realised or capable of being realised in circumstances where the right and/or other asset no longer exists).

"**Asset Market Value**" means the market value of an Asset, as the Calculation Agent shall determine by reference to an appropriate specialist valuation or in accordance with the methodology determined by the Credit Derivatives Determinations Committee.

"**Asset Package**" means, in respect of an Asset Package Credit Event, all of the Assets in the proportion received or retained by a Relevant Holder in connection with such relevant Asset Package Credit Event (which may include the Prior Deliverable Obligation or Package Observable Bond, as the case may be). If the Relevant Holder is offered, receives and retains nothing, the Asset Package shall be deemed to be zero. An Asset Package shall be treated as having the same currency and Outstanding Principal Balance as that of the Prior Deliverable Obligation or Package Observable Bond (as applicable) to which it corresponds immediately prior to the Asset Package Credit Event.

"**Asset Package Credit Event**" means:

(a) if "Financial Reference Entity Terms" and "Governmental Intervention" are specified as applicable in the relevant Issue Terms: (i) a Governmental Intervention; or (ii) a Restructuring in respect of the Reference Obligation of the relevant Reference Entity, if "Restructuring" is specified as applicable in the relevant Issue Terms and such Restructuring does not constitute a Governmental Intervention; and

(b) if the Reference Entity is a Sovereign and "Restructuring" is specified as applicable in the relevant Issue Terms, a Restructuring,

in each case, whether or not such event is specified as the applicable Credit Event in the Credit Event Notice or the DC Credit Event Announcement.

"**Assignable Loan**" means a Loan that is capable of being assigned or novated to, at a minimum, commercial banks or financial institutions (irrespective of their jurisdiction of organisation) that are not then a lender or a member of the relevant lending syndicate, without the consent of the Reference Entity or the guarantor, if any, of such Loan (or the consent of the applicable borrower if the Reference Entity is guaranteeing such Loan) or any agent.

"**Auction**" means, with respect to a Reference Entity and a Credit Event, unless otherwise specified in the Applicable Transaction Auction Settlement Terms an auction pursuant to which an Auction Final Price is to be determined in accordance with the auction procedure set out in the relevant Credit Derivatives Auction Settlement Terms.

"**Auction Cancellation Date**" means, with respect to an Auction, unless otherwise specified in the relevant Applicable Transaction Auction Settlement Terms, the date on which such Auction was deemed to have been cancelled as announced by the DC Secretary (and/or the administrators specified in the relevant Credit Derivatives Auction Settlement Terms) on its website or such other date as determined and announced in accordance with the relevant Applicable Transaction Auction Settlement Terms.

"**Auction Final Price**" means, with respect to an Applicable Auction, unless otherwise specified in the relevant Applicable Transaction Auction Settlement Terms, the price (expressed as a percentage) in respect of the deliverable obligations which would constitute Reference Obligation(s) and/or Deliverable Obligation(s) under the Credit Linked Notes or, if an Asset Package Credit Event has resulted in such Applicable Auction, in respect of the Asset Package which results from either a Prior Deliverable Obligation or a Package Observable Bond under the Credit Linked Notes, determined to be the Auction Final Price in accordance with the relevant Applicable Transaction Auction Settlement Terms. The Calculation Agent shall as soon as practicable after publication of the Auction Final Price in respect of an Applicable Auction, send a notice to the Issuer (copied to the Issuing and Paying Agent and the Swap Counterparty) setting out the Auction Final Price and the Issuer (or the Issuing and Paying Agent, having been provided with a notice addressed to the Noteholders by the Issuer or the Calculation Agent on its behalf) shall give an equivalent notice to the Noteholders. If an Asset Package Credit Event has occurred and the Calculation Agent determines that the Auction Final Price does not reflect the entire relevant Asset Package (including any cash forming part of the Asset Package and any cash in respect of the Asset Market Value of any Non-Financial Instrument or Non-Transferable Instrument), the Calculation Agent may make such adjustment as it deems necessary to the Auction Final Price in accordance with Additional CLN Condition 6(d) (*Auction Final Price of the Asset Package*) to ensure that the entire relevant Asset Package is reflected.

"**Auction Final Price Determination Date**" means, with respect to an Applicable Auction, the day, if any, on which the Auction Final Price is determined or such other date as specified in the relevant Applicable Transaction Auction Settlement Terms.

"**Bankruptcy**" means the Reference Entity (a) is dissolved (other than pursuant to a consolidation, amalgamation or merger), (b) becomes insolvent or is unable to pay its debts or fails or admits in writing in a judicial, regulatory or administrative proceeding or filing its inability generally to pay its debts as they become due, (c) makes a general assignment, arrangement, scheme or composition with or for the benefit of its creditors generally, or such a general assignment, arrangement, scheme or composition becomes effective, (d) institutes or has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other similar relief under any bankruptcy or insolvency law or other law affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition (i) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation or (ii) is not dismissed, discharged, stayed or restrained in each case within 30 calendar days of the institution or presentation thereof, (e) has a resolution passed for its winding-up or liquidation (other than pursuant to a consolidation, amalgamation or merger), (f) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets, (g) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within 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 sub-paragraphs (a) to (g) of this definition.

"**Basket CLNs**" means First-to-Default Basket CLNs, Linear Basket CLNs and First Default Linear Basket CLNs, as specified in the relevant Issue Terms.

"**Bond**" means any obligation of a type included in the "Borrowed Money" Obligation Category that is in the form of, or represented by, a bond, note (other than notes delivered pursuant to Loans), certificated debt notes or other debt notes and shall not include any other type of Borrowed Money.

"**Bond or Loan**" means any obligation that is either a Bond or a Loan.

"**Borrowed Money**" means any obligation (excluding an obligation under a revolving credit arrangement for which there are no outstanding, unpaid drawings in respect of principal) for the payment or repayment of borrowed money (which term shall include, without limitation, deposits and reimbursement obligations arising from drawings pursuant to letters of credit).

"**CDS Cash Redemption Valuation Date**" has the meaning given to it in Additional CLN Condition 7(a) (*Redemption of Credit Linked Notes where Cash Redemption applies*).

"**Change in Standard Hedging Terms**" will occur if the Calculation Agent determines that (a) the terms of any hedging activities that the Swap Counterparty (and/or any of its affiliates) has or may enter into in connection with a Series of Notes will or may change as a result of, without limitation, modification pursuant to any protocol published by ISDA or any equivalent market arrangement (in each case as determined by the Calculation Agent acting in good faith and a commercially reasonable manner); or (b) market standard terms or market trading conventions in the credit derivatives market have changed since the Issue Date of such Notes.

"**Collateral Proceeds**" means the Specified Currency Proceeds, save that the amount of Collateral Liquidated in respect of the Credit Linked Notes shall be equal to the Applicable Proportion, or, where the applicable Issue Terms specify that Classes apply, the Applicable Proportion of the Class Collateral, with the result being rounded up to the nearest tradable unit of the Original Collateral, if required.

"**Conditionally Transferable Obligation**" means a Deliverable Obligation that is either Transferable, in the case of Bonds, or capable of being assigned or novated to all Modified Eligible Transferees without the consent of any person being required, in the case of any Deliverable Obligation other than Bonds, in each case, as of the date on which it is due to be delivered into an Auction, provided, however, that a Deliverable Obligation other than Bonds will be a Conditionally Transferable Obligation notwithstanding that consent of the Reference Entity or the guarantor, if any, of a Deliverable Obligation other than Bonds (or the consent of the relevant obligor of the Reference Entity is guaranteeing such Deliverable Obligation) or any agent is required for such novation, assignment or transfer to so long as the terms of such Deliverable Obligation provide that such consent may not be unreasonably withheld or delayed. Any requirement that notification of novation, assignment or transfer of a Deliverable Obligation be provided to a trustee, fiscal agent, administrative agent, clearing agent or paying agent for a Deliverable Obligation shall not be considered to be a requirement for consent for the purposes of this definition of "Conditionally Transferable Obligation".

"**Conforming Reference Obligation**" means a Reference Obligation which is a Deliverable Obligation determined in accordance with sub-paragraph (a) of the definition of "Deliverable Obligation".

"**Consent Required Loan**" means a Loan that is capable of being assigned or novated with the consent of the Reference Entity or the guarantor, if any, of such Loan (or the consent of the relevant borrower if the Reference Entity is guaranteeing such Loan) or any agent.

"**Credit Derivatives Auction Settlement Terms**" means any Credit Derivatives Auction Settlement Terms published by ISDA a form of which will be published by ISDA on its website at www.isda.org (or any successor website thereto) from time to time and may be amended from time to time. The Calculation Agent shall be authorised to construe any Credit Derivatives Auction Settlement Terms

(including any Transaction Auction Settlement Terms or Parallel Auction Settlement Terms) in such manner as it shall determine in its discretion, acting in a commercially reasonable manner, to be necessary in order to give effect to the meaning of any word or expression used herein which is defined by reference to such Credit Derivatives Auction Settlement Terms.

"**Credit Derivatives Determinations Committee**" means each committee established pursuant to the DC Rules for purposes of reaching certain DC Resolutions.

"**Credit Event**" means the occurrence of one or more of the following Credit Events as specified in the relevant Issue Terms: Bankruptcy, Failure to Pay, Obligation Acceleration, Obligation Default, Repudiation/Moratorium, Restructuring or Governmental Intervention. If an occurrence would otherwise constitute a Credit Event, such occurrence will constitute a Credit Event whether or not such occurrence arises directly or indirectly from, or is subject to a defence based upon:

(a) any lack or alleged lack of authority or capacity of the Reference Entity to enter into any Reference Entity Obligation or, as applicable, an Underlying Obligor to enter into any Underlying Obligation;

(b) any actual or alleged unenforceability, illegality, impossibility or invalidity with respect to any Reference Entity Obligation or, as applicable, any Underlying Obligation, however described;

(c) any applicable law, order, regulation, decree or notice, however described, or the promulgation of, or any change in, the interpretation by any court, tribunal, regulatory authority or similar administrative or judicial body with competent or apparent jurisdiction of any applicable law, order, regulation, decree or notice, however described; or

(d) the imposition of, or any change in, any exchange controls, capital restrictions or any other similar restrictions imposed by any monetary or other authority, however described.

"**Credit Event Backstop Date**" means (a) for the purposes of any event that constitutes a Credit Event (or, with respect to a Repudiation/Moratorium, if applicable, the event described in sub-paragraph (b) of the definition thereof), as determined by DC Resolution, the date that is 60 calendar days prior to the Credit Event Resolution Request Date or (b) otherwise, the date that is 60 calendar days prior to the earlier of (i) the Notice Delivery Date, if the Notice Delivery Date occurs during the Notice Delivery Period and (ii) the Credit Event Resolution Request Date, if the Notice Delivery Date occurs during the Post Dismissal Additional Period. The Credit Event Backstop Date shall not be subject to adjustment in accordance with any Business Day Convention.

"**Credit Event Loss Amount**" means, with respect to a Credit Event Valuation Date (if Auction Redemption applies), CDS Cash Redemption Valuation Date (if Cash Redemption applies) or Fixed Recovery Valuation Date (if Fixed Recovery Redemption applies), as applicable:

(i) in the case of Credit Linked Notes other than First Default Linear Basket CLNs, an amount determined by the Calculation Agent in the Base Currency equal to the greater of:

  (a) zero; and

  (b) the product of (I) the Applicable Proportion and (II) 100 per cent. minus either (x) if Auction Redemption applies, the Auction Final Price, (y) if Cash Redemption applies, the Value of the Valuation Obligations, or (z) if Fixed Recovery Redemption applies, the Fixed Recovery Percentage, as applicable; and

(ii) in the case of First Default Linear Basket CLNs, an amount determined by the Calculation Agent in the Base Currency equal to the greater of:

(a) zero; and

(b) the product of (I) the Weighting of the Affected Reference Entity and (II) 100 per cent. minus either (x) if Auction Redemption applies, the Auction Final Price or (y) if Cash Redemption applies, the Value of the Valuation Obligations, as applicable.

For the avoidance of doubt, the Credit Event Loss Amount may be adjusted where, pursuant to Section 2.2(a) of the ISDA Credit Derivatives Definitions, one or more Successors are identified in relation to the Reference Entity.

"**Credit Event Notice**" means an irrevocable notice from the Swap Counterparty to the Issuer, which the Swap Counterparty has the right but not the obligation to deliver, that:

(a) identifies the Series to which the Credit Event Notice relates; and

(b) describes a Credit Event that occurred on or after the Credit Event Backstop Date and on or prior to the Extension Date.

Any Credit Event Notice that describes a Credit Event that occurred after the Scheduled Maturity Date must relate to the relevant Potential Failure to Pay, in the case of a Grace Period Extension Date, or the relevant Potential Repudiation/Moratorium, in the case of a Repudiation/Moratorium Evaluation Date.

A Credit Event Notice that describes a Credit Event other than an M(M)R Restructuring must be in respect of the full principal amount of the Credit Linked Notes in the relevant Series (or, in respect of Linear Basket CLNs or Index Linked CLNs, the Applicable Proportion of the Credit Linked Notes).

A Credit Event Notice must contain a description in reasonable detail of the facts relevant to the determination that a Credit Event has occurred. The Credit Event that is the subject of the Credit Event Notice need not be continuing on the date the Credit Event Notice is effective.

"**Credit Event Resolution Request Date**" means, with respect to a DC Credit Event Question, the date as publicly announced by the DC Secretary, that the relevant Credit Derivatives Determinations Committee Resolves to be the date on which the DC Credit Event Question was effective and on which the relevant Credit Derivatives Determinations Committee was in possession of Publicly Available Information with respect to such DC Credit Event Question.

"**Credit Event Settlement Method**" means "Auction Redemption" or "Fixed Recovery Redemption", as specified in the relevant Issue Terms.

"**Credit Event Valuation Date**" has the meaning given to it in Additional CLN Condition 6(a) (*Redemption of Credit Linked Notes where Auction Redemption applies*).

"**CUSIP**" means, with respect to a security, the "CUSIP" identification number assigned to such security (if any).

"**DC Announcement Coverage Cut-off Date**" means, with respect to a DC Credit Event Announcement, the Auction Final Price Determination Date, the Auction Cancellation Date, or the date that is 14 calendar days following the No Auction Announcement Date, if any, as applicable.

"**DC Credit Event Announcement**" means, with respect to the Reference Entity, a public announcement by the DC Secretary that the relevant Credit Derivatives Determinations Committee has Resolved that an event that constitutes a Credit Event for the purposes of the relevant Series has occurred on or after the Credit Event Backstop Date and on or prior to the Extension Date provided that if the Credit Event occurred after the Scheduled Maturity Date, the DC Credit Event Announcement must relate to the relevant Potential Failure to Pay, in the case of a Grace Period

Extension Date, or the relevant Repudiation/Moratorium, in the case of a Repudiation/Moratorium Evaluation Date.

"**DC Credit Event Meeting Announcement**" means, with respect to the relevant Reference Entity, a public announcement by the DC Secretary that a Credit Derivatives Determinations Committee will be convened to Resolve the matters described in a DC Credit Event Question.

"**DC Credit Event Question**" means a notice to the DC Secretary requesting that a Credit Derivatives Determinations Committee be convened to Resolve whether an event that constitutes a Credit Event in respect to a Reference Entity of the relevant Series has occurred.

"**DC Credit Event Question Dismissal**" means, with respect to the Reference Entity, a public announcement by the DC Secretary that the relevant Credit Derivatives Determinations Committee has Resolved not to determine the matters described in a DC Credit Event Question.

"**DC No Credit Event Announcement**" means, with respect to the relevant Reference Entity, a public announcement by the DC Secretary that the relevant Credit Derivatives Determinations Committee has Resolved that an event that is the subject of a DC Credit Event Question does not constitute a Credit Event with respect to such Reference Entity.

"**DC Resolution**" means a resolution of the Credit Derivatives Determinations Committee in accordance with the definition of "Resolve" below.

"**DC Rules**" means the Credit Derivatives Determinations Committee Rules, as published by ISDA on its website www.isda.org (or any successor website thereto) from time to time and as amended from time to time in accordance with the terms hereof.

"**DC Secretary**" means ISDA or such other entity designated as DC Secretary in accordance with the DC Rules.

"**Default Requirement**" means the amount specified as such in the relevant Issue Terms or its equivalent in the relevant Obligation Currency (or, if no such amount is specified, USD 10,000,000 or its equivalent in the relevant Obligation Currency) in either case, as of the occurrence of the relevant Credit Event.

"**Deliverable Obligation**" means, if Auction Redemption applies:

(a) any obligation of the Reference Entity (either directly or as provider of a Relevant Guarantee) determined pursuant to the "Method for determining Deliverable Obligations" below;

(b) the Reference Obligation of the relevant Reference Entity;

(c) solely in relation to a Restructuring Credit Event applicable to a Reference Entity which is a Sovereign, and unless Asset Package Delivery is applicable, any Sovereign Restructured Deliverable Obligation; and

(d) if Asset Package Delivery is applicable, any Prior Deliverable Obligation (if, "Financial Reference Entity Terms" is specified as applicable in the relevant Issue Terms) or any Package Observable Bond (if the Reference Entity is a Sovereign),

in each case, (i) unless it is an Excluded Deliverable Obligation and (ii) provided that the obligation has an Outstanding Principal Balance or Due and Payable Amount that is greater than zero (determined for the purposes of sub-paragraph (d) of this definition, immediately prior to the relevant Asset Package Credit Event).

*Method for determining Deliverable Obligations*

A Deliverable Obligation shall be each obligation of the Reference Entity described by the Deliverable Obligation Category specified in the relevant Issue Terms and having each of the Deliverable Obligation Characteristics, if any, specified in the relevant Issue Terms, in each case, as of the date on which such obligation is to be delivered in an Auction (the "**Delivery Date**") (unless otherwise specified in the relevant Issue Terms).

If an obligation would have been capable of being specified as a Deliverable Obligation immediately prior to a Credit Event in respect of a Reference Entity, such obligation (as in effect after such Credit Event) shall continue to be able to constitute a Deliverable Obligation after the occurrence of such Credit Event. If it is not possible or reasonably practicable to specify any Reference Entity Obligation as a Deliverable Obligation of the Reference Entity because there is or will be no Deliverable Obligation in existence at any time, the Calculation Agent shall designate by notice (which shall be in writing (including by facsimile and/or by email)) to the Issuer one or more bonds, loans, instruments, certificates or other obligations which have been or will be issued in exchange, whether pursuant to a mandatory or voluntary exchange, for one or more bonds, loans, instruments, certificates or obligations of the Reference Entity that would have been capable of being specified as a Deliverable Obligation immediately prior to the occurrence of the relevant Credit Event of the Reference Entity, provided, that failure to deliver such notice shall not affect the effectiveness of such designation.

"**Deliverable Obligation Category**" means one of Payment, Borrowed Money, Reference Obligation Only, Bond, Loan, or Bond or Loan (except that, for the purposes of determining Deliverable Obligations, the definition of "Reference Obligation Only" shall be amended to state that no Deliverable Obligation Characteristics shall be applicable to Reference Obligation Only).

"**Deliverable Obligation Characteristics**" means any one or more of Not Subordinated, Specified Currency, Not Sovereign Lender, Not Domestic Currency, Not Domestic Law, Listed, Not Domestic Issuance, Assignable Loan, Consent Required Loan, Direct Loan Participation, Transferable, Maximum Maturity, Accelerated or Matured and Not Bearer.

"**Deliverable Obligation Provisions**" means the provisions of the Credit Linked Notes that specify criteria for establishing what obligations may constitute Deliverable Obligations.

"**Direct Loan Participation**" means a Loan in respect of which, pursuant to a participation agreement, Issuer is capable of creating, or procuring the creation of, a contractual right in favour of each Noteholder that provides each Noteholder with recourse to the participation seller for a specified share in any payments due under the relevant Loan which are received by such participation seller, any such agreement to be entered into between each Noteholder and either (A) the Issuer (to the extent the Issuer is then a lender or a member of the relevant lending syndicate), or (B) any lender or member of the relevant lending syndicate nominated by the Issuer or the Calculation Agent.

"**Domestic Currency**" means the currency specified as such in the relevant Issue Terms and any successor currency thereto (or if no such currency is specified, the lawful currency and any successor currency of (a) the relevant Reference Entity, if the Reference Entity is a Sovereign, or (b) the jurisdiction in which the Reference Entity is organised, if the Reference Entity is not a Sovereign).

"**Domestic Law**" means each of the laws of (a) the Reference Entity, if such Reference Entity is a Sovereign, or (b) the jurisdiction in which the Reference Entity is organised, if such Reference Entity is not a Sovereign.

"**Downstream Affiliate**" means an entity whose outstanding Voting Shares were, at the date of issuance of the Qualifying Guarantee, more than 50 per cent owned, directly or indirectly, by the Reference Entity.

"**Due and Payable Amount**" means the amount that is due and payable by the Reference Entity under the obligation whether by reason of maturity, acceleration, termination or otherwise (excluding sums in respect of default interest, indemnities, tax gross-ups and other similar amounts) less all or any portion of such amount which, pursuant to the terms of the obligation (a) is subject to any Prohibited Action, or (b) may otherwise be reduced as a result of the effluxion of time or the occurrence or non-occurrence of an event or circumstance (other than by way of (i) payment or (ii) a Permitted Contingency), in each case, determined in accordance with the terms of the obligation in effect on either (A) the as of the date on which it is due to be delivered into an Auction or (B) the Valuation Obligation Valuation Date, as applicable.

"**Early Cash Redemption Amount**" means, notwithstanding anything to the contrary in the Master Conditions, in respect of each Credit Linked Note:

(a) where the Credit Linked Notes are redeemed early pursuant to the Additional Redemption Event specified in Additional CLN Condition 2(a) (*Redemption following the occurrence of a Credit Event*), an amount per Credit Linked Note equal to that Credit Linked Note's *pro rata* share of an amount denominated in the Specified Currency equivalent to the amount calculated by the Calculation Agent in the Base Currency equal to the greater of:

(i) zero; and

(ii) (A) the Collateral Proceeds; plus

(B) the Affected Swap Gain (if any); minus

(C) the Affected Swap Loss (if any); minus

(D) the Credit Event Loss Amount (if any); plus

(iii) where all Credit Linked Notes are being redeemed, the Swap Counterparty CSA Interest Amount (if any); and

(b) where the Credit Linked Notes are redeemed early otherwise than pursuant to the Additional Redemption Event specified in Additional CLN Condition 2(a) (*Redemption following the occurrence of a Credit Event*), an amount per Credit Linked Note equal to that Note's *pro rata* share of an amount denominated in the Specified Currency equivalent to the amount calculated by the Calculation Agent in the Base Currency equal to the greater of:

(i) zero; and

(ii) (A) the Collateral Proceeds; plus

(B) the portion of any Termination Payment in respect of the Swap Agreement (which shall include, for the avoidance of doubt, any Related Swap(s) and the relevant CDS) that is payable by the Swap Counterparty to the Issuer (together, if applicable, with any interest payable thereon) and is, where the applicable Issue Terms specify that Classes apply, attributable to the relevant Class of Notes; less

(C) the portion of any Termination Payment in respect the Swap Agreement (which shall include, for the avoidance of doubt, any Related Swap(s) and the relevant CDS) that is payable by the Issuer to the Swap Counterparty (together, if applicable, with any interest payable thereon) and is, where the applicable Issue Terms specify that Classes apply, attributable to the relevant Class of Notes; plus

(D) where all Credit Linked Notes are being redeemed, the Swap Counterparty CSA Interest Amount (if any).

"**Early Redemption Date**" means, where the Credit Linked Notes are redeemed early pursuant to these Additional Redemption Event specified in Additional CLN Condition 2 (*Redemption of Credit Linked Notes*), notwithstanding anything to the contrary in the Master Conditions, the day falling five Reference Business Days after (i) the Credit Event Valuation Date (where Auction Redemption applies), (ii) the CDS Cash Redemption Valuation Date (where Cash Redemption applies) or (iii) the Fixed Recovery Valuation Date (where Fixed Recovery Redemption applies), as applicable.

"**Eligible Information**" means information which is publicly available or which can be made public without violating any law, agreement, understanding or other restriction regarding the confidentiality of such information.

"**Eligible Transferee**" means

(a) any:

(i) bank or other financial institution;

(ii) insurance or reinsurance company;

(iii) mutual fund, unit trust or similar collective investment vehicle (other than an entity specified in sub-paragraph (c)(i) of this definition); and

(iv) registered or licensed broker or dealer (other than a natural person or proprietorship),

provided, however, in each case that such entity has total assets of at least USD 500,000,000;

(b) an Affiliate of an entity specified in the sub-paragraph (a) of this definition;

(c) each of a corporation, partnership, proprietorship, organisation, trust or other entity:

(i) that is an investment vehicle (including, without limitation, any hedge fund, issuer of collateralised debt obligation, commercial paper conduit or other special purpose vehicle) that (A) has total assets of at least USD 100,000,000 or (B) is one of a group of investment vehicles under common control or management having, in the aggregate, total assets of at least USD 100,000,000;

(ii) that has total assets of at least USD 500,000,000; or

(iii) the obligations of which under an agreement, contract or transaction are guaranteed or otherwise supported by a letter of credit or keepwell, support or other agreement by an entity described in sub-paragraph (a), (b), (c)(ii) or (d) of this definition; and

(d) any Sovereign; or

(e) any entity or organisation established by treaty or other arrangement between two or more Sovereigns including, without limiting the foregoing, the International Monetary Fund, European Central Bank, International Bank for Reconstruction and Development and European Bank for Reconstruction and Development.

All references in this definition of "Eligible Transferee" to USD include equivalent amounts in other currencies as determined by the Calculation Agent.

"**Euroclear**" means Euroclear Bank S.A./N.V.

"**Event Determination Date**" means, with respect to a Credit Event:

(a) subject to sub-paragraph (b) of this definition, the Notice Delivery Date, if the Notice Delivery Date occurs during either the Notice Delivery Period or the Post Dismissal Additional Period,

provided that neither (A) a DC Credit Event Announcement has occurred nor (B) a DC No Credit Event Announcement has occurred, in each case, with respect to the Credit Event specified in the Credit Event Notice; or

(b) notwithstanding sub-paragraph (a) of this definition, the Credit Event Resolution Request Date, if a DC Credit Event Announcement has occurred, the Credit Event Resolution Request Date has occurred on or prior to the last day of the Notice Delivery Period (including prior to the Trade Date) and either:

(i) (I) the Credit Event is not an M(M)R Restructuring; and (II) the Trade Date occurs on or prior to a DC Announcement Coverage Cut-off Date; or

(ii) (I) the Credit Event is an M(M)R Restructuring; and (II) a Credit Event Notice is delivered by the Swap Counterparty to the Issuer (or a notice is delivered by the Swap Counterparty to the Issuer electing a relevant Exercise Amount and is deemed to be a Credit Event Notice) and is effective on or prior to the Exercise Cut-Off Date,

provided that:

(1) no Early Redemption Date in respect of the relevant Reference Entity has occurred on or prior to the date on which the Applicable DC Credit Event Meeting Announcement occurs;

(2) if any Valuation Obligation Valuation Date or date on which a Deliverable Obligation is due to be delivered into an Auction, as applicable, in respect of the relevant Reference Entity has occurred on or prior to the date on which the Applicable DC Credit Event Meeting Announcement occurs, an Event Determination Date shall be deemed to have occurred only with respect to the portion of the Reference Entity Notional Amount of the Reference Entity to which the Event Determination Date relates, if any, with respect to which no Valuation Obligation Valuation Date or date on which a Deliverable Obligation is due to be delivered into an Auction, as applicable, has occurred; and

(3) no Credit Event Notice specifying an M(M)R Restructuring as the only Credit Event has previously been delivered by the Swap Counterparty to the Issuer, (aa) unless the M(M)R Restructuring specified in such Credit Event Notice is also the subject of the Applicable DC Credit Event Question resulting in the occurrence of the Credit Event Resolution Request Date, (bb) unless, and to the extent that, the Exercise Amount specified in such Credit Event Notice was less than the Reference Entity Notional Amount of the Affected Reference Entity (which, for the avoidance of doubt, shall not apply to First Default Linear Basket CLNs (unless otherwise specified in the applicable Issue Terms)), or (cc) unless a credit derivatives transaction with the same tenor and deliverable obligation provisions as the Credit Linked Notes would be an "Auction Covered Transaction" for the purpose of the relevant Credit Derivatives Auction Settlement Terms and the Deliverable Obligations set out on the Final List are identical to the Permissible Deliverable Obligations for such Series.

(c) Notwithstanding the foregoing, no Event Determination Date will occur with respect to an event, and any Event Determination Date previously determined with respect to an event shall be deemed not to have occurred, if, or to the extent that, prior to the Auction Final Price Determination Date, a Valuation Obligation Valuation Date, or the Scheduled Maturity Date or the Extended Maturity Date, as applicable, a DC No Credit Event Announcement occurs with respect to such event.

"**Excluded Deliverable Obligation**" means:

(a) any obligation of the Reference Entity specified as such or of a type described in the relevant Issue Terms;

(b) any principal only component of a Bond from which some or all of the interest components have been stripped; and

(c) if Asset Package Delivery is applicable, any obligation issued or incurred on or after the date of the relevant Asset Package Credit Event.

"**Excluded Obligation**" means:

(a) any obligation of a Reference Entity specified as such or of a type specified in the relevant Issue Terms;

(b) if "Financial Reference Entity Terms" is specified as applicable in the relevant Issue Terms and the relevant Reference Entity is a Senior Reference Entity, then for the purposes of determining whether a Governmental Intervention or Restructuring has occurred, any Subordinated Obligation; and

(c) if "Financial Reference Entity Terms" is specified as applicable in the relevant Issue Terms and the relevant Reference Entity is a Subordinated Reference Entity, then for the purposes of determining whether a Governmental Intervention or Restructuring has occurred, any Further Subordinated Obligation.

"**Exercise Amount**" has the meaning given to that term in Additional CLN Condition 5(a) (*M(M)R Restructuring Credit Event*).

"**Exercise Cut-Off Date**" means either:

(a) with respect to an M(M)R Restructuring applies:

(i) if the DC Secretary publishes a Final List applicable to the Applicable Transaction Auction Settlement Terms and/or Parallel Auction Settlement Terms may be published, the date that is seven Relevant City Business Days following the date on which such Final List is published; or

(ii) otherwise, the date that is 14 calendar days following the relevant No Auction Announcement Date,

or, in each case, such other date as the relevant Credit Derivatives Determinations Committee Resolves.

"**Extended Maturity Date**" means, if Maturity Date Extension applies pursuant to Additional CLN Condition 4 (*Maturity Date Extension*) and no relevant Event Determination Date occurs on or prior to the Notes Extension Date, the date falling five Reference Business Days after the Notes Extension Date or, if Maturity Date Extension applies pursuant to Additional CLN Condition 4 (*Maturity Date Extension*) and a relevant Event Determination Date occurs on or prior to the Notes Extension Date, the Early Redemption Date.

"**Extension Date**" means, with respect to a Reference Entity, the latest of (a) the Scheduled Maturity Date, (b) the Grace Period Extension Date if (i) "Failure to Pay" and "Grace Period Extension" are specified as being applicable in the relevant Issue Terms, and (ii) the Potential Failure to Pay with respect to the relevant Failure to Pay occurs on or prior to the Scheduled Maturity Date and (c) the Repudiation/Moratorium Evaluation Date (if any) if "Repudiation/Moratorium" is specified as applicable in the relevant Issue Terms, as applicable.

"**Failure to Pay**" means, after the expiration of any applicable Grace Period (after the satisfaction of any conditions precedent to the commencement of such Grace Period), the failure by the Reference Entity to make, when and where due, any payments in an aggregate amount of not less than the Payment Requirement under one or more Reference Entity Obligations, in accordance with the terms of such Reference Entity Obligations at the time of such failure.

If an occurrence that would constitute a Failure to Pay (a) is a result of a redenomination that occurs as a result of action taken by a Governmental Authority which is of general application in the jurisdiction of such Governmental Authority and (b) a freely available market rate of conversion existed at the time of the redenomination, then such occurrence will be deemed not to constitute a Failure to Pay unless the redenomination itself constituted a reduction in the rate or amount of interest, principal or premium payable (as determined by reference to such freely available market rate of conversion) at the time of such redenomination.

"**Final List**" means the final list of Deliverable Obligations, Package Observable Bonds, Prior Deliverable Obligations (as applicable) and/or Assets which are the subject of the related Auction determined by the Credit Derivatives Determinations Committee in accordance with the DC Rules.

"**Final Redemption Amount**" means, in respect of each Note and unless otherwise specified in the applicable Issue Terms, that Note's *pro rata* share of the sum of:

(a) the Aggregate Nominal Amount of the Notes as at the Maturity Date; and

(b) the Swap Counterparty CSA Interest Amount (if any).

"**First-to-Default Basket CLNs**" means Credit Linked Notes which are specified as such in the relevant Issue Terms, in respect of which the Issuer purchases credit protection from Noteholders in respect of two or more Reference Entities and pursuant to which, upon the occurrence of a Credit Event and where a relevant Event Determination Date occurs with respect to any of the Reference Entities, the Credit Linked Notes will fall due for redemption in full at an amount equal in aggregate to the Early Cash Redemption Amount, for which purpose (i) the Early Termination Amount of the Related Swap will be determined on the basis that the Related Swap relates to a notional amount of Credit Linked Notes equal to the Applicable Proportion and a principal amount of Original Collateral equal to the Applicable Proportion and (ii) the Credit Event Loss Amount will be determined by reference to the Applicable Proportion.

"**First Default Linear Basket CLNs**" means Credit Linked Notes which are specified as such in the relevant Issue Terms, in respect of which the Issuer purchases credit protection from Noteholders in respect of two or more Reference Entities and pursuant to which, upon the occurrence of a Credit Event and where a relevant Event Determination Date occurs with respect to any of the Reference Entities, the Credit Linked Notes will fall due for redemption in full at an amount equal in aggregate to the Early Cash Redemption Amount, for which purpose (i) the Early Termination Amount of the Related Swap will be determined on the basis that the Related Swap includes the portion of the CDS relating to each Non-Affected Reference Entity and excludes the portion of the CDS relating to the Affected Reference Entity and (ii) the Credit Event Loss Amount will be determined by reference to the Reference Entity Notional Amount of the Affected Reference Entity.

"**First Ranking Interest**" means a charge, security interest (or other type of interest having similar effect) (an "**Interest**"), which is expressed as being "first ranking", "first priority", or similar ("**First Ranking**") in the document creating such Interest (notwithstanding that such Interest may not be First Ranking under any insolvency laws of any relevant insolvency jurisdiction of the relevant LPN Issuer).

"**Fixed Cap**" means, with respect to a Guarantee, a specified numerical limit or cap on the liability of the Reference Entity in respect of some or all payments due under the Underlying Obligation,

provided that a Fixed Cap shall exclude a limit or cap determined by reference to a formula with one or more variable inputs (and for these purposes, the outstanding principal or other amounts payable pursuant to the Underlying Obligation shall not be considered to be variable inputs).

"**Fixed Recovery Notes**" means a Series for which Fixed Recovery Redemption is specified in the relevant Issue Terms, in respect of which the Early Cash Redemption Amount per Credit Linked Note is the Fixed Recovery Percentage of the Applicable Proportion of the outstanding principal amount of the Credit Linked Note.

"**Fixed Recovery Percentage**" means, in respect of a Fixed Recovery Note, the percentage specified as such in the relevant Issue Terms.

"**Fixed Recovery Valuation Date**" has the meaning given to it in Additional CLN Condition 10(a)(i) (*Fixed Recovery Redemption Terms*).

"**Fully Transferable Obligation**" means a Deliverable Obligation that is either Transferable, in the case of Bonds, or capable of being assigned or novated to all Eligible Transferees without the consent of any person being required, in the case of any Deliverable Obligation other than Bonds, in each case, as of the Delivery Date. Any requirement that notification of novation, assignment or transfer of a Deliverable Obligation be provided to a trustee, fiscal agent, administrative agent, clearing agent or paying agent, for a Deliverable Obligation shall not be considered to be a requirement for consent for the purposes of this definition of "Fully Transferable Obligation".

"**Further Subordinated Obligation**" means, if the Reference Obligation or Prior Reference Obligation, as applicable, is a Subordinated Obligation, any obligation which is Subordinated thereto.

"**Governmental Authority**" means:

(a) any *de facto* or *de jure* government (or any agency, instrumentality, ministry or department thereof);

(b) any court, tribunal, administrative or other governmental authority, inter-governmental or supranational body; or

(c) any authority or any other entity (private or public) either designated as a resolution authority or charged with the regulation or supervision of the financial markets (including a central bank) of the Reference Entity or some or all of its obligations; or

(d) any other authority which is analogous to the entities specified in sub-paragraph (a), (b) or (c) of this definition.

"**Governmental Intervention**" means that, with respect to one or more Reference Entity Obligations and in relation to an aggregate amount of not less than the Default Requirement, any one or more of the following events occurs as a result of action taken or an announcement made by a Governmental Authority pursuant to, or by means of, a restructuring and resolution law or regulation (or any other similar law or regulation), in each case, applicable to the Reference Entity in a form which is binding, irrespective of whether such event is expressly provided for under the terms of such Reference Entity Obligation:

(a) any event which would affect creditors' rights so as to cause:

(i) a reduction in the rate or amount of interest payable or the amount of scheduled interest accruals (including by way of redenomination);

(ii) a reduction in the amount of principal or premium payable at redemption (including by way of redenomination);

(iii) a postponement or other deferral of a date or dates for either (A) the payment or accrual of interest, or (B) the payment of principal or premium; or

(iv) a change in the ranking in priority of payment of any Reference Entity Obligation, causing the Subordination of such Reference Entity Obligation to any other Reference Entity Obligation;

(b) an expropriation, transfer or other event which mandatorily changes the beneficial holder of the Reference Entity Obligation;

(c) a mandatory cancellation, conversion or exchange; or

(d) any event which has an analogous effect to any of the events specified in sub-paragraphs (a)(i) to (a)(iii) of this definition.

For the purposes of sub-paragraph (a) of this definition, the term Reference Entity Obligation shall be deemed to include Underlying Obligations for which the Reference Entity is acting as provider of a Guarantee.

"**Grace Period**" means:

(a) subject to sub-paragraphs (b) and (c) of this definition, the applicable grace period with respect to payments under and in accordance with the terms of such Reference Entity Obligation in effect as of the date as of which such Reference Entity Obligation is issued or incurred;

(b) if "Grace Period Extension" is specified as applicable in the relevant Issue Terms, a Potential Failure to Pay has occurred on or prior to the Scheduled Maturity Date and the applicable grace period cannot, by its terms, expire on or prior to the Scheduled Maturity Date, the Grace Period shall be deemed to be the lesser of such grace period and the period specified as such in the relevant Issue Terms or, if no period is specified, 30 calendar days; and

(c) if, as of the date as of which a Reference Entity Obligation is issued or incurred, no grace period with respect to payments or a grace period with respect to payments of less than three Grace Period Business Days is applicable under the terms of such Reference Entity Obligation, a Grace Period of three Grace Period Business Days shall be deemed to apply to such Reference Entity Obligation; provided that, unless "Grace Period Extension" is specified as being applicable in the relevant Issue Terms, such deemed Grace Period shall expire no later than the Scheduled Maturity Date.

"**Grace Period Business Day**" means a day on which commercial banks and foreign exchange markets are generally open to settle payments in the place or places and on the days specified for that purpose in the relevant Reference Entity Obligation or, if a place or places are not so specified, (a) if the Obligation Currency is the euro, a TARGET Settlement Day, or (b) otherwise, a day on which commercial banks and foreign exchange markets are generally open to settle payments in the principal financial city in the jurisdiction of the Obligation Currency.

"**Grace Period Extension Date**" means, if (a) "Grace Period Extension" is specified as being applicable in the relevant Issue Terms and (b) a Potential Failure to Pay occurs on or prior to the Scheduled Maturity Date, as the case may be, the date that is five Reference Business Days following the day falling after the number of days in the Grace Period after the date of such Potential Failure to Pay. If "Grace Period Extension" is not specified as being applicable in the relevant Issue Terms, Grace Period Extension shall not apply.

"**Guarantee**" means a Relevant Guarantee or a guarantee which is the Reference Obligation.

"**Index**" means an Index of Reference Entities as specified in the relevant Issue Terms.

"**Index Linked CLN**" means Credit Linked Notes which are specified as such in the relevant Issue Terms, in respect of which the Issuer purchases credit protection from Noteholders in respect of an Index comprised of the Reference Entities specified in the applicable Issue Terms and pursuant to which, on each occasion on which a Credit Event and a relevant Event Determination Date occurs with respect to any of the Reference Entities, the Credit Linked Notes will be redeemed in part at an amount determined by reference to the Reference Entity Notional Amount relating to such Reference Entity in accordance with the relevant Credit Event Settlement Method.

"**ISDA**" means the International Swaps and Derivatives Association Inc., (or any successor organisation thereto).

"**Latest Maturity Restructured Bond or Loan**" has the meaning given to that term in the definition of "Restructuring Maturity Limitation Date".

"**Limitation Date**" means the first of 20 March, 20 June, 20 September or 20 December in any year to occur on or immediately following the date that is one of the following numbers of years after the Restructuring Date: 2.5 years (the "**2.5-year Limitation Date**"), 5 years, 7.5 years, 10 years (the "**10-year Limitation Date**"), 12.5 years, 15 years or 20 years, as applicable. Limitation Dates shall not be subject to adjustment in accordance with any Business Day Convention.

"**Linear Basket CLNs**" means Credit Linked Notes which are specified as such in the relevant Issue Terms, in respect of which the Issuer purchases credit protection from Noteholders in respect of two or more Reference Entities and pursuant to which, on each occasion on which a Credit Event and a relevant Event Determination Date occurs with respect to any of the Reference Entities, the Credit Linked Notes will be redeemed in part at an amount determined by reference to the Reference Entity Notional Amount relating to such Reference Entity in accordance with the relevant Credit Event Settlement Method.

"**Listed**" means an obligation that is quoted, listed or ordinarily purchased and sold on an exchange.

"**Loan**" means any obligation of a type included in the "Borrowed Money" Obligation Category that is documented by a term loan agreement, revolving loan agreement or other similar credit agreement and shall not include any other type of Borrowed Money.

"**LPN Reference Obligation**" means each Reference Obligation other than any Additional Obligation. Any change to the issuer of an LPN Reference Obligation in accordance with its terms shall not prevent such LPN Reference Obligation from constituting a Reference Obligation. Each LPN Reference Obligation is issued for the sole purpose of providing funds for the Issuer to (a) finance a loan to the Reference Entity and each such loan shall be an Underlying Loan; or (b) provide finance to the Reference Entity by way of a deposit, loan or other Borrowed Money instrument and each such deposit, loan or other Borrowed Money instrument shall be an Underlying Finance Instrument.

"**Maturity Date Extension**" means an extension determined in accordance with Additional CLN Condition 4 (*Maturity Date Extension*).

"**Maximum Maturity**" means an obligation that has a remaining maturity of not greater than the period specified in the relevant Issue Terms (or if no such period is specified, 30 years).

"**M(M)R Restructuring**" means a Restructuring Credit Event in respect of which either "Mod R" or "Mod Mod R" is specified as applicable in the relevant Issue Terms.

"**Modified Eligible Transferee**" means any bank, financial institution or other entity which is regularly engaged in or established for the purpose of making, purchasing or investing in loans, notes and other financial assets.

"**Modified Restructuring Maturity Limitation Date**" means, with respect to a Deliverable Obligation, the Limitation Date occurring on or immediately following the Scheduled Maturity Date.

Subject to the foregoing, if the Scheduled Maturity Date is later than the 10-year Limitation Date, the Modified Restructuring Maturity Limitation Date will be the Scheduled Maturity Date.

"**Movement Option**" means, with respect to an M(M)R Restructuring to which a No Auction Announcement Date has occurred pursuant to sub-paragraph (b) or (c)(ii) of the definition of "No Auction Announcement Date", the option of the Swap Counterparty to apply the Parallel Auction Settlement Terms, if any, so that the Credit Linked Notes may be redeemed by way of Auction Redemption.

"**Movement Option Cut-off Date**" means the date that is one Relevant City Business Day following the Exercise Cut-Off Date, or such other date as the relevant Credit Derivatives Determinations Committee has Resolved.

"**Multiple Holder Obligation**" has the meaning given to it in Additional CLN Condition 12 (*Multiple Holder Obligation*).

"**No Auction Announcement Date**" means, with respect to a Credit Event, the date as determined by the Calculation Agent on which the DC Secretary first publicly announces that (a) no Transaction Auction Settlement Terms and, if applicable, no Parallel Auction Settlement Terms will be published, (b) following the occurrence of an M(M)R Restructuring no Transaction Auction Settlement Terms will be published, but Parallel Auction Settlement Terms will be published or (c) the relevant Credit Derivatives Determinations Committee has Resolved that no Auction will be held following a prior public announcement by the DC Secretary to the contrary, in circumstances where either (i) no Parallel Auction will be held, or (ii) one or more Parallel Auctions will be held. For the avoidance of doubt, a No Auction Announcement Date will not occur solely by reason of the Credit Linked Notes not being covered by any Credit Derivatives Auction Settlement Terms.

"**Non-Affected Reference Entity**" means, in respect of Basket CLNs and Index Linked CLNs following the occurrence of a Credit Event and a relevant Event Determination Date, each Reference Entity in respect of which such Event Determination Date has not occurred.

"**Non-Conforming Reference Obligation**" means a Reference Obligation which is not a Conforming Reference Obligation.

"**Non-Conforming Substitute Reference Obligation**" means an obligation which would be a Deliverable Obligation determined in accordance with sub-paragraph (a) of the definition of "Deliverable Obligation" on the Substitution Date but for one or more of the same reasons which resulted in the Reference Obligation constituting a Non-Conforming Reference Obligation on the date it was issued or incurred and/or immediately prior to the Substitution Event Date (as applicable).

"**Non-Financial Instrument**" means any Asset which is not of the type typically traded in, or suitable for being traded in, financial markets.

"**Non-Standard Reference Obligation**" means each Original Non-Standard Reference Obligation or if a Substitute Reference Obligation has been determined in respect of any such Original Non-Standard Reference Obligation, the Substitute Reference Obligation.

"**Non-Transferable Instrument**" means any Asset which is not capable of being transferred to institutional investors, excluding due to market conditions.

"**Not Bearer**" means any obligation that is not a bearer instrument unless interests with respect to such bearer instrument are cleared via the Euroclear system, Clearstream International or any other internationally recognised clearing system.

"**Not Domestic Currency**" means any obligation that is payable in any currency other than the applicable Domestic Currency, provided that a Standard Specified Currency shall not constitute a Domestic Currency.

"**Not Domestic Issuance**" means any obligation other than an obligation that was issued (or reissued, as the case may be) or intended to be offered for sale primarily in the domestic market of the relevant Reference Entity. Any obligation that is registered or, as a result of some other action having been taken for such purpose, is qualified for sale outside the domestic market of the relevant Reference Entity (regardless of whether such obligation is also registered or qualified for sale within the domestic market of the Reference Entity) shall be deemed not to be issued (or reissued as the case may be) or intended to be offered for sale primarily in the domestic market of the Reference Entity.

"**Not Domestic Law**" means any obligation that is not governed by the applicable Domestic Law, provided that the laws of England and the laws of the State of New York shall not constitute Domestic Law.

"**Notes Extension Date**" means the later to occur of (a) the last applicable day specified in the definition of "Notice Delivery Period" in respect of each Reference Entity with respect to which Maturity Date Extension applies pursuant to Additional CLN Condition 4 (*Maturity Date Extension*) and (b) 14 calendar days after the DC Credit Event Announcement or (c) the last day of the Post Dismissal Additional Period.

"**Notice Delivery Date**" means the first date on which both an effective Credit Event Notice and, unless "Notice of Publicly Available Information" is specified as not applicable in the relevant Issue Terms, an effective Notice of Publicly Available Information, have been delivered by the Swap Counterparty to the Issuer.

"**Notice Delivery Period**" means the period from and including the Trade Date to and including the date that is 14 calendar days after the Extension Date.

"**Notice of Publicly Available Information**" means an irrevocable notice from the Swap Counterparty to the Issuer that cites Publicly Available Information confirming the occurrence of the Credit Event or Potential Repudiation/Moratorium, as applicable, described in the Credit Event Notice or Repudiation/Moratorium Extension Notice. The notice given must contain a copy, or a description in reasonable detail, of the relevant Publicly Available Information. If "Notice of Publicly Available Information" is specified as being applicable in the relevant Issue Terms and the Credit Event Notice or Repudiation/Moratorium Extension Notice contains Publicly Available Information, such Credit Event Notice or Repudiation/Moratorium Extension Notice will also be deemed to be a Notice of Publicly Available Information.

"**Not Sovereign Lender**" means any obligation that is not primarily owed to (a) a Sovereign or (b) any entity or organisation established by treaty or other arrangement between two or more Sovereigns including, without limiting the foregoing, the International Monetary Fund, European Central Bank, International Bank for Reconstruction and Development and European Bank for Reconstruction and Development, which shall include, without limitation, obligations generally referred to as "Paris Club debt".

"**Not Subordinated**" means an obligation that is not Subordinated to (a) the Reference Obligation or (b) the "Prior Reference Obligation" if applicable.

"**Obligation Acceleration**" means one or more Reference Entity Obligations in an aggregate amount of not less than the Default Requirement have become due and payable before they would otherwise have been due and payable as a result of, or on the basis of, the occurrence of a default, event of default or other similar condition or event (however described), other than a failure to make any required payment, in respect of the Reference Entity under one or more Reference Entity Obligations.

"**Obligation Category**" means Payment, Borrowed Money, Reference Obligation Only, Bond, Loan, or Bond or Loan, only one of which shall be specified in the relevant Issue Terms.

"**Obligation Characteristics**" means any one or more of Not Subordinated, Specified Currency, Not Sovereign Lender, Not Domestic Currency, Not Domestic Law, Listed and Not Domestic Issuance.

"**Obligation Currency**" means the currency or currencies in which a Reference Entity Obligation is denominated.

"**Obligation Default**" means one or more Reference Entity Obligations in an aggregate amount of not less than the Default Requirement have become capable of being declared due and payable before they would otherwise have been due and payable as a result of, or on the basis of, the occurrence of a default, event of default or other similar condition or event (however described), other than a failure to make any required payment, in respect of the Reference Entity under one or more Reference Entity Obligations.

"**Original Non-Standard Reference Obligation**" means each obligation of the Reference Entity (either directly or as provider of a guarantee) which is specified as a Reference Obligation in the relevant Issue Terms (if any is so specified).

The "**Outstanding Principal Balance**" of an obligation will be calculated as follows:

(a) first, by determining, in respect of the obligation, the amount of the Reference Entity's principal payment obligations and, where applicable in accordance with the definition of "Accrued Interest", the Reference Entity's accrued but unpaid interest payment obligations (which, in the case of a Guarantee will be the lower of (i) the Outstanding Principal Balance (including accrued but unpaid interest, where applicable) of the Underlying Obligation (determined as if references to the Reference Entity were references to the Underlying Obligor) and (ii) the amount of the Fixed Cap, if any);

(b) second, by subtracting all or any portion of such amount which, pursuant to the terms of the obligation, (i) is subject to any Prohibited Action, or (ii) may otherwise be reduced as a result of the effluxion of time or the occurrence or non-occurrence of an event or circumstance (other than by way of (A) payment or (B) a Permitted Contingency) (the amount determined in sub-paragraph (a) of this definition less any amounts subtracted in accordance with this sub-paragraph (b), the "**Non-Contingent Amount**"); and

(c) third, by determining the Quantum of the Claim, which shall then constitute the Outstanding Principal Balance, in each case, determined: (i) unless otherwise specified, in accordance with the terms of the obligation in effect on the date on which an obligation is due to be delivered into an Auction, or (B) the Valuation Obligation Valuation Date, as applicable; and (ii) with respect to the Quantum of the Claim only, in accordance with any applicable laws (insofar as such laws reduce or discount the size of the claim to reflect the original issue price or accrued value of the obligation),

in each case, determined:

(A) unless otherwise specified, in accordance with the terms of the obligation in effect on the date on which an obligation is due to be delivered into an Auction or the Valuation Obligation Valuation Date, as applicable; and

(B) with respect to the Quantum of the Claim only, in accordance with any applicable laws (insofar as such laws reduce or discount the size of the claim to reflect the original issue price or accrued value of the obligation),

where "**Quantum of the Claim**" means the lowest amount of the claim which could be validly asserted against the Reference Entity in respect of the Non-Contingent Amount if the obligation had become redeemable, been accelerated, terminated or had otherwise become due and payable at the time of the relevant determination, provided that the Quantum of the Claim cannot exceed the Non-Contingent Amount.

"**Package Observable Bond**" means, in respect of a Reference Entity which is a Sovereign, any obligation (a) which is identified as such and published by ISDA on its website at www.isda.org from time to time (or any successor website thereto) or by a third party designated by ISDA on its website from time to time and (b) which fell within the definition of Deliverable Obligation set out in sub-paragraph (a) or (b) of the definition of "Deliverable Obligation", in each case, immediately preceding the date on which the relevant Asset Package Credit Event was legally effective.

"**Parallel Auction**" means the "Auction" which is the subject of the relevant Parallel Auction Settlement Terms.

"**Parallel Auction Cancellation Date**" means the "Auction Cancellation Date" in respect of the relevant Parallel Auction Settlement Terms.

"**Parallel Auction Settlement Terms**" means, following the occurrence of an M(M)R Restructuring", any Credit Derivatives Auction Settlement Terms published by ISDA with respect to such an M(M)R Restructuring if the Calculation Agent determines in its discretion, acting in a commercially reasonable manner, that the relevant Deliverable Obligation Terms are substantially the same as the Deliverable Obligation Provisions applicable to the relevant Credit Linked Notes and for which a credit derivatives transaction with the same tenor as Series of the Credit Linked Notes would not be an "Auction Covered Transaction" for the purpose of the relevant Credit Derivatives Auction Settlement Terms.

"**Payment**" means any obligation (whether present or future, contingent or otherwise) for the payment or repayment of money, including, without limitation, Borrowed Money.

"**Payment Requirement**" means the amount specified as such in the relevant Issue Terms or its equivalent in the relevant Obligation Currency (or, if no such amount is specified, USD 1,000,000 or its equivalent in the relevant Obligation Currency) in either case as of the occurrence of the relevant Failure to Pay or Potential Failure to Pay, as appropriate.

"**Permissible Deliverable Obligation**" has the meaning set out in the relevant Credit Derivatives Auction Settlement Terms, being either all or the portion of the Deliverable Obligations included on the Final List pursuant to the Deliverable Obligation Terms that are applicable to that Auction.

"**Permitted Contingency**" means, with respect to an obligation, any reduction to the Reference Entity's payment obligations:

(a) as a result of the application of:

(i) any provisions allowing a transfer, pursuant to which another party may assume all of the payment obligations of the Reference Entity;

(ii) provisions implementing the Subordination of the obligation;

(iii) provisions allowing for a Permitted Transfer in the case of a Qualifying Guarantee (or provisions allowing for the release of the Reference Entity from its payment obligations in the case of any other Guarantee); or

(iv) provisions which permit the Reference Entity's obligations to be altered, discharged, released or suspended in circumstances which would constitute a Governmental Intervention, if "Financial Reference Entity Terms" is specified as applicable in the relevant Issue Terms; or

(b) which is within the control of the holders of the obligation or a third party acting on their behalf (such as an agent or trustee) in exercising their rights under or in respect of such obligation.

"**Permitted Transfer**" means, with respect to a Qualifying Guarantee, a transfer to and the assumption by any single transferee of such Qualifying Guarantee (including by way of cancellation and execution of a new guarantee) on the same or substantially the same terms, in circumstances where there is also a transfer of all (or substantially all) of the assets of the Reference Entity to the same single transferee.

"**Physical Settlement Matrix**" means the "Credit Derivatives Physical Settlement Matrix" as most recently amended or supplemented as at the Trade Date (unless otherwise specified in the relevant Issue Terms) and as published by ISDA on its website at www.isda.org (or any successor website). The Physical Settlement Matrix may be applicable to any Series where "Physical Settlement Matrix Standard Terms" are specified as applicable in the relevant Issue Terms and one or more Transaction Type(s) are specified as applying to the Reference Entity(ies) of such Series.

"**Post Dismissal Additional Period**" means the period from and including the date of the Applicable DC Credit Event Question Dismissal to and including the date that is 14 calendar days thereafter (provided that the relevant Credit Event Resolution Request Date occurred on or prior to the end of the last day of the Notice Delivery Period (including prior to the Trade Date)).

"**Potential Failure to Pay**" means the failure by the Reference Entity to make, when and where due, any payments in an aggregate amount of not less than the Payment Requirement under one or more Reference Entity Obligations in accordance with the terms of such obligations at the time of such failure, without regard to any grace period or any conditions precedent to the commencement of any grace period applicable to such Reference Entity Obligations.

"**Potential Repudiation/Moratorium**" means the occurrence of an event described in sub-paragraph (a) of the definition of "Repudiation/Moratorium".

"**Prior Deliverable Obligation**" means:

(a) if a Governmental Intervention has occurred (whether or not such event is specified as the applicable Credit Event in the Credit Event Notice or the Applicable DC Credit Event Announcement), any obligation of the Reference Entity which (i) existed immediately prior to such Governmental Intervention, (ii) was the subject of such Governmental Intervention and (iii) fell within the definition of Deliverable Obligation set out in sub-paragraph (a) or (b) of the definition of "Deliverable Obligation", in each case, immediately preceding the date on which such Governmental Intervention was legally effective; or

(b) if a Restructuring which does not constitute a Governmental Intervention has occurred in respect of the Reference Obligation of the relevant Reference Entity (whether or not such event is specified as the applicable Credit Event in the Credit Event Notice or the Applicable DC Credit Event Announcement), such Reference Obligation, if any.

"**Prior Reference Obligation**" means, in circumstances where there is no Reference Obligation applicable to a Series, (I) the Reference Obligation most recently applicable thereto, if any, and otherwise, (II) the obligation specified in the relevant Issue Terms as the Reference Obligation, if any, if such Reference Obligation was redeemed on or prior to the Trade Date and otherwise, (III) any unsubordinated Borrowed Money obligation of the Reference Entity.

"**Private-side Loan**" means a Loan in respect of which the documentation governing its terms is not publicly available or capable of being made public without violating a law, agreement, understanding or other restriction regarding the confidentiality of such information.

"**Prohibited Action**" means any counterclaim, defence (other than a counterclaim or defence based on the factors set forth in sub-paragraphs (a) to (d) in the definition of "Credit Event" or right of set-off by or of the Reference Entity or any applicable Underlying Obligor.

"**Public Source**" means each source of Publicly Available Information specified as such in the relevant Issue Terms (or, if no such source is specified, each of Bloomberg, Reuters, Dow Jones Newswires, The Wall Street Journal, The New York Times, Nihon Keizai Shimbun, Asahi Shimbun, Yomiuri Shimbun, Financial Times, La Tribune, Les Echos, The Australian Financial Review and Debtwire (and successor publications), the main source(s) of business news in the country in which the Reference Entity is organised and any other internationally recognised published or electronically displayed news sources).

"**Publicly Available Information**" means information that reasonably confirms any of the facts relevant to the determination that the Credit Event or Potential Repudiation/Moratorium, as applicable, described in a Credit Event Notice or Repudiation/Moratorium Extension Notice have occurred and which (a) has been published in or on not less than the Specified Number of Public Sources, regardless of whether the reader or user thereof pays a fee to obtain such information; (b) is information received from or published by (i) the Reference Entity (or if the Reference Entity is a Sovereign, any agency, instrumentality, ministry, department or other authority thereof acting in a governmental capacity (including, without limiting the foregoing, the central bank) of such Sovereign) or (ii) a trustee, fiscal agent, administrative agent, clearing agent, paying agent, facility agent or agent bank for a Reference Entity Obligation, or (c) is information contained in any order, decree, notice, petition or filing, however described, of or filed with a court, tribunal, exchange, regulatory authority or similar administrative, regulatory or judicial body; provided that where any information of the type described in sub-paragraphs (a) to (c) of this definition is not publicly available, it can only constitute Publicly Available Information if it can be made public without violating any law, agreement, understanding or other restriction regarding the confidentiality of such information.

In relation to any information of the type described in sub-paragraphs (b) and (c) above in the first paragraph of this definition of "Publicly Available Information", the party receiving such information may assume that such information has been disclosed to it without violating any law, agreement, understanding or other restriction regarding the confidentiality of such information and that the party delivering such information has not taken any action or entered into any agreement or understanding with the Reference Entity or any Affiliate of the Reference Entity that would be breached by, or would prevent, the disclosure of such information to the party receiving such information.

Without limitation, Publicly Available Information need not state (a) in relation to the definition of "Downstream Affiliate", the percentage of Voting Shares owned by the Reference Entity and (b) that

the relevant occurrence (i) has met the Payment Requirement or Default Requirement, (ii) is the result of exceeding any applicable Grace Period or (iii) has met the subjective criteria specified in certain Credit Events.

In relation to a Repudiation/Moratorium Credit Event, Publicly Available Information must relate to the events described in sub-paragraphs (a) and (b) of the definition of "Repudiation/Moratorium".

"**Qualifying Affiliate Guarantee**" means a Qualifying Guarantee provided by the Reference Entity in respect of an Underlying Obligation of a Downstream Affiliate of the Reference Entity.

"**Qualifying Guarantee**" means a guarantee evidenced by a written instrument (which may include a statute or regulation), pursuant to which the Reference Entity irrevocably agrees, undertakes or is otherwise obliged to pay all amounts of principal and interest (except for amounts which are not covered due to the existence of a Fixed Cap) due under an Underlying Obligation for which the Underlying Obligor is the obligor, by guarantee of payment and not by guarantee of collection (or, in either case, any legal arrangement which is equivalent thereto in form under the relevant governing law).

A Qualifying Guarantee shall not include any guarantee:

(a) which is structured as a surety bond, financial guarantee insurance policy or letter of credit (or any legal arrangement which is equivalent thereto in form); or

(b) pursuant to the terms applicable thereto, the principal payment obligations of the Reference Entity can be discharged, released, reduced, assigned or otherwise altered as a result of the occurrence or non-occurrence of an event or circumstance, in each case, other than: (i) by payment; (ii) by way of Permitted Transfer; (iii) by operation of law; (iv) due to the existence of a Fixed Cap; or (v) due to: (A) provisions permitting or anticipating a Governmental Intervention, if "Financial Reference Entity Terms" is specified as applicable in the relevant Issue Terms.

If the guarantee or Underlying Obligation contains provisions relating to the discharge, release, reduction, assignment or other alteration of the principal payment obligations of the Reference Entity and such provisions have ceased to apply or are suspended at the time of the relevant determination, in accordance with the terms of such guarantee or Underlying Obligation, due to or following the occurrence of (A) a non-payment in respect of the guarantee or the Underlying Obligation, or (B) an event of the type described in the definition of "Bankruptcy" in respect of the Reference Entity or the Underlying Obligor, then it shall be deemed for these purposes that such cessation or suspension is permanent, notwithstanding the terms of the guarantee or Underlying Obligation.

In order for a guarantee to constitute a Qualifying Guarantee: (I) the benefit of such guarantee must be capable of being Delivered together with the Delivery of the Underlying Obligation; and (II) if a guarantee contains a Fixed Cap, all claims to any amounts which are subject to such Fixed Cap must be capable of being Delivered together with the Delivery of such guarantee.

For these purposes:

(a) "Deliver" means to deliver, novate, transfer (including, in the case of a Guarantee, transfer of the benefit of the Guarantee), assign or sell, as appropriate, in the manner customary for the settlement of the applicable obligation (which shall include executing all necessary documentation and taking any other necessary actions), in order to convey all right, title (or, with respect to obligations where only equitable title is customarily conveyed, all equitable title) and interest in the obligations to the Swap Counterparty free and clear of any and all liens, charges, claims or encumbrances (excluding any liens routinely imposed on all securities in a

relevant clearance system, but including, without limitation, any counterclaim, defence (other than a counterclaim or defence based on the factors set forth in sub-paragraphs (a) to (d) of the definition of Credit Event) or right of set-off by or of the Reference Entity or any applicable Underlying Obligor); provided that (i) if the relevant obligation is a Direct Loan Participation, "Deliver" means to create (or procure the creation of) a participation in favour of the Swap Counterparty and (ii) if the relevant obligation is a Guarantee, "Deliver" means to Deliver both the Underlying Obligation and the Guarantee, provided further that if the Guarantee has a Fixed Cap, "Deliver" means to Deliver the Underlying Obligation, the Guarantee and all claims to any amounts which are subject to such Fixed Cap; and

(b) "Delivery" and "Delivered" will be construed accordingly.

"**Quotation**" means each firm quotation obtained from a Quotation Dealer at the Valuation Time, to the extent reasonably practicable, for an amount of the relevant Valuation Obligation with an Outstanding Principal Balance or Due and Payable Amount, as applicable, expressed as a percentage of the Deliverable Obligation's Outstanding Principal Balance or Due and Payable Amount (or if a Quotation is being obtained in respect of the Asset Package resulting from any Prior Deliverable Obligation or Package Observable Bond, the Outstanding Principal Balance of the relevant Prior Deliverable Obligation or Package Observable Bond immediately prior to the Asset Package Credit Event), as applicable, with respect to a Valuation Obligation Valuation Date in accordance with the Quotation Method.

"**Quotation Amount**" means an amount determined by the Calculation Agent in accordance with the Quotation Method not in excess of the Reference Entity Notional Amount or its equivalent in the relevant Obligation Currency, which shall be converted by the Calculation Agent by reference to exchange rates in effect at the time that the relevant Quotation is being obtained. Where an Asset Package Credit Event has occurred and a Deliverable Obligation has been converted into an Asset Package, the Quotation Amount for all or any part of the Asset Package shall be such amount as the Calculation Agent determines.

"**Quotation Method**" means, unless otherwise specified in the relevant Issue Terms, the Calculation Agent shall attempt to obtain Quotations with respect to each Valuation Obligation Valuation Date from five or more Quotation Dealers and:

(a) if four or more Quotations are obtained, the Calculation Agent shall disregard the highest and lowest quotations and the Quotation Amount shall be the arithmetic mean of the remaining Quotations provided that (a) if more than one Quotation has the same highest or lowest value, then one of such Quotations shall be disregarded unless (b) all Quotations have the same value, in which case two of such Quotations shall be disregarded;

(b) if three Quotations are obtained, the Calculation Agent shall disregard the highest and lowest Quotations and the Quotation Amount shall be the remaining Quotation, provided that (a) if two Quotations have the same highest or lowest value, then one of such Quotations shall be disregarded and (b) if three Quotations have the same value, then two of such Quotations shall be disregarded; and

(c) if two or fewer Quotations are obtained, the Quotation Amount shall be determined by the Calculation Agent as the fair value of the relevant Valuation Obligation.

"**Reference Entity**" means the entity specified as such in the relevant Issue Terms. Any Successor to the Reference Entity either (a) identified by the Calculation Agent pursuant to the definition of "Successor" on or following the Trade Date or (b) identified pursuant to a DC Resolution in respect of

a Successor Resolution Request Date and publicly announced by the DC Secretary on or following the Trade Date shall, in each case, with effect from the Succession Date, be the Reference Entity.

"**Reference Entity Notional Amount**" means, in respect of any Reference Entity, the notional amount from time to time of credit protection in relation to a Reference Entity, being (and unless otherwise specified in the applicable Issue Terms):

(a) if the Credit Linked Notes are Single Name CLNs, the Aggregate Nominal Amount; and

(b) if the Credit Linked Notes are Basket CLNs or Index Linked CLNs, the product of (i) the Aggregate Nominal Amount and (ii) the quotient of (A) the related Weighting and (B) the sum of the Weightings of each Reference Entity as of the Trade Date without regard to any Credit Event that may have occurred after the relevant Credit Event Backstop Date.

Subject in each case to Additional CLN Condition 11 (*Successor Provisions*) relating to the determination of successor Reference Entities and provided that, where the Credit Linked Notes are subject to redemption or purchase and cancellation in part, or where further securities are issued which are fungible with the Credit Linked Notes, the Reference Entity Notional Amount shall be reduced or, as applicable, increased, proportionately.

"**Reference Entity Obligation**" means:

(a) any obligation of the Reference Entity (either directly or as provider of a Relevant Guarantee) described by the Obligation Category specified in the relevant Issue Terms and having each of the Obligation Characteristics, if any, specified in the relevant Issue Terms, in each case, immediately prior to, the Credit Event which is the subject of either the Credit Event Notice or the Applicable DC Credit Event Question resulting in the occurrence of the Credit Event Resolution Request Date, as applicable; and

(b) the Reference Obligation,

in each case, unless it is an Excluded Obligation.

"**Reference Entity Outstanding Amount**" has the meaning given to it in Additional CLN Condition 5(b) (*Partial Redemption in respect of M(M)R Restructuring*).

"**Reference Obligation**" means:

(a) if "Standard Reference Obligation" is specified as applicable in the relevant Issue Terms, the Standard Reference Obligation, if any;

(b) if "Standard Reference Obligation" is specified as not applicable in the relevant Issue Terms, the Non-Standard Reference Obligation(s), if any; or

(c) if (i) "Standard Reference Obligation" is specified as applicable in the relevant Issue Terms, (ii) there is no Standard Reference Obligation and (iii) a Non-Standard Reference Obligation is specified in the relevant Issue Terms, (A) the Non-Standard Reference Obligation to but excluding the first date of publication of the Standard Reference Obligation and (B) the Standard Reference Obligation from such date onwards, provided that the Standard Reference Obligation that is published would have been eligible to be selected as a Substitute Reference Obligation,

provided that, in respect of each Reference Entity, if the applicable "Transaction Type" is specified as "Standard Emerging European Corporate LPN" in the relevant Issue Terms, the Reference Obligation means, as of the Trade Date, each of the obligations listed as a Reference Obligation of the Reference Entity in the Issue Terms or set forth on the relevant LPN Reference Obligations List, as published by

Markit Group Limited, or any successor thereto, which list is currently available at http://www.markit.com/product/Reference-Data-CDS, any Additional LPN, determined in accordance with the definition of "Additional LPN" as provided in these Additional CLN Conditions, and each Additional Obligation. Each Reference Obligation determined in accordance with the foregoing will be a Reference Obligation notwithstanding anything to the contrary in these Additional CLN Conditions, and in particular, notwithstanding that the obligation is not an obligation of the Reference Entity. Standard Reference Obligation shall be "Not Applicable". The proviso in respect of "Original Non-Standard Reference Obligation" in these Additional CLN Conditions shall not apply. It is intended that there may be more than one Reference Obligation, as a result of which all applicable references in these Additional CLN Conditions to "the Reference Obligation" shall be construed as a reference to "a Reference Obligation", and all other provisions of the Additional CLN Obligation shall be construed accordingly. The provisos in respect of "Substitution Reference Obligation" and "Substitution Event" in the Additional CLN Conditions shall not be applicable to LPN Reference Obligations.

"**Reference Obligation Only**" means any obligation that is a Reference Obligation and no Obligation Characteristics shall be applicable to Reference Obligation Only.

"**Relevant City Business Day**" has the meaning given to that term in the DC Rules.

"**Relevant Guarantee**" means a Qualifying Affiliate Guarantee or, if "All Guarantees" is specified as applicable in the relevant Issue Terms, a Qualifying Guarantee.

"**Relevant Holder**" means a holder of the Prior Deliverable Obligation or Package Observable Bond, as the case may be, with an Outstanding Principal Balance or Due and Payable Amount, as applicable, immediately prior to the relevant Asset Package Credit Event, equal to the Outstanding Principal Balance or Due and Payable Amount of the Deliverable Obligations to be delivered into the Auction or selected by the Calculation Agent in the determination of the Value of the Valuation Obligations, as the case may be.

"**Relevant Obligations**" means the Reference Entity Obligations of the Reference Entity which fall within the Obligation Category "Bond or Loan" and which are outstanding immediately prior to the Succession Date (or, if there is a Steps Plan, immediately prior to the legally effective date of the first succession), provided that:

(a) any Bonds or Loans outstanding between the Reference Entity and any of its Affiliates, or held by the Reference Entity, shall be excluded;

(b) if there is a Steps Plan, the Calculation Agent shall, for the purposes of the determination required to be made under the definition of "Successor", make the appropriate adjustments required to take account of any Reference Entity Obligations of the Reference Entity which fall within the Obligation Category "Bond or Loan" that are issued, incurred, redeemed, repurchased or cancelled from and including the legally effective date of the first succession to and including the Succession Date;

(c) if "Financial Reference Entity Terms" is specified as applicable in the relevant Issue Terms and the Reference Entity is a Senior Reference Entity, the Relevant Obligations shall only include the Senior Obligations of the Reference Entity which fall within the Obligation Category "Bond or Loan"; and

(d) if "Financial Reference Entity Terms" is specified as applicable in the relevant Issue Terms, and the relevant Reference Entity is a Subordinated Reference Entity, Relevant Obligations shall exclude Senior Obligations and any Further Subordinated Obligations of the Reference Entity which fall within the Obligation Category "Bond or Loan", provided that if no such Relevant

Obligations exist, "Relevant Obligations" shall have the same meaning as it would if the relevant Reference Entity were a Senior Reference Entity.

"**Repudiation/Moratorium**" means the occurrence of both of the following events: (a) an authorised officer of the Reference Entity or a Governmental Authority (i) disaffirms, disclaims, repudiates or rejects, in whole or in part, or challenges the validity of, one or more Reference Entity Obligations in an aggregate amount of not less than the Default Requirement or (ii) declares or imposes a moratorium, standstill, roll-over or deferral, whether *de facto* or *de jure*, with respect to one or more Reference Entity Obligations in an aggregate amount of not less than the Default Requirement; and (b) a Failure to Pay, determined without regard to the Payment Requirement, or a Restructuring, determined without regard to the Default Requirement, with respect to any such Reference Entity Obligation that occurs on or prior to the Repudiation/Moratorium Evaluation Date.

"**Repudiation/Moratorium Evaluation Date**" means, if a Potential Repudiation/Moratorium occurs on or prior to the Scheduled Maturity Date, (a) if the Reference Entity Obligations to which such Potential Repudiation/Moratorium relates include Bonds, the date that is the later of (i) the date that is 60 days after the date of such Potential Repudiation/Moratorium and (ii) the first payment date under any such Bond after the date of such Potential Repudiation/Moratorium (or, if later, the expiration date of any applicable Grace Period in respect of such payment date) and (b) if the Reference Entity Obligations to which such Potential Repudiation/Moratorium relates do not include Bonds, the date that is 60 days after the date of such Potential Repudiation/Moratorium; provided that, in either case, the Repudiation/Moratorium Evaluation Date shall occur no later than the Scheduled Maturity Date unless the Repudiation/Moratorium Extension Condition is satisfied.

The "**Repudiation/Moratorium Extension Condition**" is satisfied (a) if the DC Secretary publicly announces, pursuant to a valid request that was delivered and effectively received on or prior to the date that is 14 calendar days after the Scheduled Maturity Date, that the relevant Credit Derivatives Determinations Committee has Resolved that an event that constitutes a Potential Repudiation/Moratorium has occurred with respect to a Reference Entity Obligation of the Reference Entity and that such event occurred on or prior to the Scheduled Maturity Date and such resolution constitutes an Applicable Resolution or (b) otherwise, by the delivery by the Calculation Agent to the Issuer of a Repudiation/Moratorium Extension Notice and, unless "Notice of Publicly Available Information" is specified not applicable in the relevant Issue Terms, a Notice of Publicly Available Information that is effective on or prior to the date that is 14 calendar days after the Scheduled Maturity Date. In all cases, the Repudiation/Moratorium Extension Condition will be deemed not to have been satisfied, or not capable of being satisfied, if, or to the extent that, the DC Secretary publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved that either (i) an event does not constitute a Potential Repudiation/Moratorium with respect to a Reference Entity Obligation of the Reference Entity or (ii) an event that constitutes a Potential Repudiation/Moratorium for the purposes of the relevant Credit Linked Notes has occurred with respect to a Reference Entity Obligation of the relevant Reference Entity but that such event occurred after the Scheduled Maturity Date.

"**Repudiation/Moratorium Extension Notice**" means an irrevocable notice from the Calculation Agent to the Issuer that describes a Potential Repudiation/Moratorium that occurred on or prior to the Scheduled Maturity Date. A Repudiation/Moratorium Extension Notice must contain a description in reasonable detail of the facts relevant to the determination that a Potential Repudiation/Moratorium has occurred and indicate the date of the occurrence. The Potential Repudiation/Moratorium that is the subject of the Repudiation/Moratorium Extension Notice need not be continuing on the date the Repudiation/Moratorium Extension Notice is effective.

"**Resolve**" means, with respect to a Credit Derivatives Determinations Committee, the making of a specific determination in accordance with the DC Rules, and "**Resolved**" and "**Resolves**" shall be construed accordingly.

"**Restructured Bond or Loan**" means a Reference Entity Obligation that is a Bond or Loan and in respect of which the relevant Restructuring has occurred.

"**Restructuring**" means that, with respect to one or more Reference Entity Obligations and in relation to an aggregate amount of not less than the Default Requirement, any one or more of the following events occurs in a form that binds all holders of such Reference Entity Obligation, is agreed between the Reference Entity or a Governmental Authority and a sufficient number of holders of such Reference Entity Obligation to bind all holders of the Reference Entity Obligation or is announced (or otherwise decreed) by the Reference Entity or a Governmental Authority in a form that binds all holders of such Reference Entity Obligation (including, in each case, in respect of Bonds only, by way of exchange) and such event is not expressly provided for under the terms of such Reference Entity Obligation in effect as of the later of the Credit Event Backstop Date applicable to the relevant Credit Linked Notes and the date as of which such Reference Entity Obligation is issued or incurred:

(a) a reduction in the rate or amount of interest payable or the amount of scheduled interest accruals (including by way of redenomination);

(b) a reduction in the amount of principal or premium payable at redemption (including by way of redenomination);

(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;

(d) a change in the ranking in priority of payment of any Reference Entity Obligation, causing the Subordination of such Reference Entity Obligation to any other Reference Entity Obligation; or

(e) any change in the currency of any payment of interest, principal or premium to any currency other than the lawful currency of Canada, Japan, Switzerland, the United Kingdom and the United States of America and the euro and any successor currency to any of the aforementioned currencies (which in the case of the euro, shall mean the currency which succeeds to and replaces the euro in whole).

Notwithstanding the above in this definition of "Restructuring", none of the following shall constitute a Restructuring:

(i) the payment in euros of interest, principal or premium in relation to a Reference Entity Obligation denominated in a currency of a Member State of the European Union that adopts or has adopted the single currency in accordance with the Treaty establishing the European Community, as amended by the Treaty on European Union;

(ii) the redenomination from euros into another currency, if (A) the redenomination occurs as a result of action taken by a Governmental Authority of a Member State of the European Union which is of general application in the jurisdiction of such Governmental Authority and (B) a freely available market rate of conversion between euros and such other currency existed at the time of such redenomination and there is no reduction in the rate or amount of interest, principal or premium payable, as determined by reference to such freely available market rate of conversion;

(iii) the occurrence of, agreement to or announcement of any of the events described in sub-paragraphs (a) to (e) of this definition of "Restructuring" due to an administrative adjustment, accounting adjustment or tax adjustment or other technical adjustment occurring in the ordinary course of business; and

(iv) the occurrence of, agreement to or announcement of any of the events described in sub-paragraphs (a) to (e) of this definition of "Restructuring" in circumstances where such event does not directly or indirectly result from a deterioration in the creditworthiness or financial condition of the Reference Entity, provided that in respect of sub-paragraph (e) of this definition of "Restructuring" only, no such deterioration in the creditworthiness or financial condition of the Reference Entity is required where the redenomination is from euros into another currency and occurs as a result of action taken by a Governmental Authority of a Member State of the European Union which is of general application in the jurisdiction of such Governmental Authority.

For the purposes of this definition of "Restructuring", the term Reference Entity Obligation shall be deemed to include Underlying Obligations for which the Reference Entity is acting as provider of a Guarantee. In the case of a Guarantee and an Underlying Obligation, references to the Reference Entity in this definition shall be deemed to refer to the Underlying Obligor and the reference to the Reference Entity in this definition of "Restructuring" shall continue to refer to the Reference Entity.

If an exchange has occurred, the determination as to whether one of the events described under sub-paragraphs (a) to (e) of this definition has occurred will be based on a comparison of the terms of the Bond immediately prior to such exchange and the terms of the resulting obligations immediately following such exchange.

"**Restructuring Date**" means the date on which a Restructuring is legally effective in accordance with the terms of the documentation governing such Restructuring.

"**Restructuring Maturity Limitation Date**" means, with respect to a Deliverable Obligation, the Limitation Date occurring on or immediately following the Scheduled Maturity Date. Notwithstanding the foregoing, if the final maturity date of the Restructured Bond or Loan with the latest final maturity date of any Restructured Bond or Loan occurs prior to the 2.5-year Limitation Date (such Restructured Bond or Loan, a "**Latest Maturity Restructured Bond or Loan**") and the Scheduled Maturity Date occurs prior to the final maturity date of such Latest Maturity Restructured Bond or Loan, then the Restructuring Maturity Limitation Date will be the final maturity date of such Latest Maturity Restructured Bond or Loan.

"**Scheduled Maturity Date**" means, in respect of an issue of Credit Linked Notes, the date specified as such in the relevant Issue Terms.

"**Seniority Level**" means, with respect to a Reference Entity, (a) "Senior Level" or "Subordinated Level" as specified in the relevant Issue Terms, or (b) if no such seniority level is specified in the relevant Issue Terms, "Senior Level" if the only Original Non-Standard Reference Obligation is a Senior Obligation or "Subordinated Level" if the only Original Non-Standard Reference Obligation is a Subordinated Obligation, failing which (c) "Senior Level".

"**Senior Obligation**" means any obligation which is not Subordinated to any unsubordinated Borrowed Money obligation of the Reference Entity.

"**Senior Reference Entity**" means a Reference Entity for which (a) the Reference Obligation(s) or Prior Reference Obligation(s), as applicable, is/are a Senior Obligation provided that if there is more than one Reference Obligation for a Reference Entity, and not all of the Reference Obligations are Senior Obligations, then "Senior Reference Entity" means a Reference Entity where "Senior Level" is

specified as the Seniority Level in the relevant Issue Terms, or (b) there is no Reference Obligation or Prior Reference Obligation.

"**Single Name CLN**" means any Series in respect of which the Issuer purchases credit protection from Noteholders in respect of one Reference Entity alone.

"**Sovereign**" means any state, political subdivision or government, or any agency, instrumentality, ministry, department or other authority acting in a governmental capacity (including, without limiting the foregoing, the central bank) thereof.

"**Sovereign Restructured Deliverable Obligation**" means a Reference Entity Obligation of a Reference Entity which is a Sovereign (either directly or as provider of a Relevant Guarantee) (a) in respect of which a Restructuring that is the subject of the relevant Credit Event Notice or Applicable DC Credit Event Announcement has occurred and (b) which fell within the definition of a Deliverable Obligation immediately preceding the date on which such Restructuring is legally effective in accordance with the terms of the documentation governing such Restructuring.

"**Sovereign Succession Event**" means, with respect to a Reference Entity that is a Sovereign, an annexation, unification, secession, partition, dissolution, consolidation, reconstitution or other similar event.

"**Specified Currency**" means an obligation that is payable in the currency or currencies specified as such in the relevant Issue Terms (or, if "Specified Currency" is specified in the relevant Issue Terms and no currency is so specified, any Standard Specified Currency), provided that if the euro is a Specified Currency, "Specified Currency" shall also include an obligation that was previously payable in the euro, regardless of any redenomination thereafter if such redenomination occurred as a result of action taken by a Governmental Authority of a Member State of the European Union which is of general application in the jurisdiction of such Governmental Authority.

"**Specified Number**" means the number of Public Sources specified in the relevant Issue Terms (or, if no such number is specified, two).

"**SRO List**" means the list of Standard Reference Obligations as published by ISDA on its website at www.isda.org from time to time (or any successor website thereto) or by a third party designated by ISDA on its website from time to time.

"**Standard Reference Obligation**" means the obligation of the Reference Entity with the relevant Seniority Level which is specified from time to time on the SRO List.

"**Standard Specified Currency**" means each of the lawful currencies of Canada, Japan, Switzerland, France, Germany, the United Kingdom and the United States of America and the euro and any successor currency to any of the aforementioned currencies (which in the case of the euro, shall mean the currency which succeeds to and replaces the euro in whole).

"**Steps Plan**" means a plan evidenced by Eligible Information contemplating that there will be a series of successions to some or all of the Relevant Obligations of the Reference Entity, by one or more entities.

"**Subordinated Obligation**" means any obligation which is Subordinated to any unsubordinated Borrowed Money obligation of the Reference Entity or which would be so Subordinated if any unsubordinated Borrowed Money obligation of the Reference Entity existed.

"**Subordinated Reference Entity**" means a Reference Entity for which the Reference Obligation(s) or Prior Reference Obligation(s), as applicable, is/are a Subordinated Obligation provided that, if there is more than one Reference Obligation and not all of the Reference Obligations are Subordinated

Reference Obligations, then "Subordinated Reference Entity" means a Reference Entity specified as such in the relevant Issue Terms.

"**Subordination**" means, with respect to an obligation (the "**Second Obligation**") and another obligation of the Reference Entity to which such obligation is being compared (the "**First Obligation**"), a contractual, trust or similar arrangement providing that (a) upon the liquidation, dissolution, reorganisation or winding up of the Reference Entity, claims of the holders of the First Obligation are required to be satisfied prior to the claims of the holders of the Second Obligation or (b) the holders of the Second Obligation will not be entitled to receive or retain principal payments in respect of their claims against the Reference Entity at any time that the Reference Entity is in payment arrears or is otherwise in default under the First Obligation. "**Subordinated**" will be construed accordingly. For the purposes of determining whether Subordination exists or whether an obligation is Subordinated with respect to another obligation to which it is being compared, (i) the existence of preferred creditors arising by operation of law or of collateral, credit support or other credit enhancement or security arrangements shall not be taken into account, except that, notwithstanding the foregoing, priorities arising by operation of law shall be taken into account where the Reference Entity is a Sovereign and (ii) in the case of the Reference Obligation or the Prior Reference Obligation, as applicable, the ranking in priority of payment shall be determined as of the date as of which it was issued or incurred (or in circumstances where the Reference Obligation or a Prior Reference Obligation is the Standard Reference Obligation and "Standard Reference Obligation" is applicable, then the priority of payment of the Reference Obligation or the Prior Reference Obligation, as applicable, shall be determined as of the date of selection) and, in each case, shall not reflect any change to such ranking in priority of payment after such date.

"**Substitute Reference Obligation**" means, with respect to a Non-Standard Reference Obligation to which a Substitution Event has occurred, the obligation that may replace the Non-Standard Reference Obligation, determined by the Calculation Agent in accordance with Additional CLN Condition 13 (*Reference Obligation*).

Notwithstanding the definition of "Substitute Reference Obligation" (a) no Substitute Reference Obligation shall be determined in respect of a Reference Obligation Only Series and (b) if the events set out in sub-paragraph (b) or (c) of the definition of "Substitution Event" occur with respect to the Reference Obligation in a Reference Obligation Only Series, such Reference Obligation shall continue to be the Reference Obligation.

"**Substitution Date**" means, with respect to a Substitute Reference Obligation, the date on which the Calculation Agent notifies the Trustee of the Substitute Reference Obligation that it has identified in accordance with the definition of "Substitute Reference Obligation".

"**Substitution Event**" means, with respect to a Non-Standard Reference Obligation:

(a) the Non-Standard Reference Obligation is redeemed in whole;

(b) the aggregate amounts due under the Non-Standard Reference Obligation have been reduced by redemption or otherwise below USD 10,000,000 or its equivalent in the relevant Obligation Currency, as determined by the Calculation Agent); or

(c) for any other reason, other than due to the existence or occurrence of a Credit Event, the Non-Standard Reference Obligation is no longer an obligation of the Reference Entity, (either directly or as provider of a guarantee).

For the purposes of the identification of a Non-Standard Reference Obligation, any change in the Non-Standard Reference Obligation's CUSIP or ISIN code or other similar identifier will not, in and of itself, constitute a Substitution Event.

If an event described in sub-paragraph (a) or (b) of this definition has occurred on or prior to the Trade Date, then a Substitution Event shall be deemed to have occurred pursuant to sub-paragraph (a) or (b) of this definition, as the case may be, on the Trade Date.

"**Substitution Event Date**" means, with respect to the Reference Obligation, the date of the occurrence of the relevant Substitution Event.

"**Successor**" means:

(a) subject to Additional CLN Condition 11(e) (*Eligible Successors*), the entity or entities, if any, determined by the Calculation Agent or the Credit Derivatives Determinations Committee (as applicable) as follows:

(i) subject to sub-paragraph (vii) of this definition, if one entity succeeds, either directly or as a provider of a Relevant Guarantee to 75 per cent. or more of the Relevant Obligations of the Reference Entity, that entity will be the sole Successor in respect of (i) if the Credit Linked Notes are Single Name CLNs or First-to-Default Basket CLNs, the entire Aggregate Nominal Amount of the Credit Linked Notes as at the Succession Date (and, for the avoidance of doubt, in respect of First-to-Default Basket CLNs, the remaining Reference Entities in the basket will continue to be Reference Entities in respect of the entire Aggregate Nominal Amount of the Notes as at the Succession Date) or (ii) if the Credit Linked Notes are Linear Basket CLNs or Index Linked CLNs, the entire Reference Entity Notional Amount of that original Reference Entity outstanding as at the Succession Date;

(ii) if only one entity succeeds, either directly or as a provider of a Relevant Guarantee to more than 25 per cent. (but less than 75 per cent.) of the Relevant Obligations of the Reference Entity and not more than 25 per cent. of the Relevant Obligations of the Reference Entity remain with the Reference Entity, the entity that succeeds to more than 25 per cent. of the Relevant Obligations will be the sole Successor in respect of (i) if the Credit Linked Notes are Single Name CLNs or First-to-Default Basket CLNs, the entire Aggregate Nominal Amount of the Credit Linked Notes as at the Succession Date (and, for the avoidance of doubt, in respect of First-to-Default Basket CLNs, the remaining Reference Entities in the basket will continue to be Reference Entities in respect of the entire Aggregate Nominal Amount of the Notes as at the Succession Date) or (ii) if the Credit Linked Notes are Linear Basket CLNs or Index Linked CLNs, the entire Reference Entity Notional Amount of that original Reference Entity outstanding as at the Succession Date;

(iii) if more than one entity each succeeds, either directly or as provider of a Relevant Guarantee to more than 25 per cent. of the Relevant Obligations of the Reference Entity, and not more than 25 per cent. of the Relevant Obligations of the Reference Entity remain with the Reference Entity, the entities that succeed to more than 25 per cent. of the Relevant Obligations will each be a Successor (i) if the Credit Linked Notes are Single Name CLNs or First-to-Default Basket CLNs, in respect of a portion of the outstanding Aggregate Nominal Amount of the Credit Linked Notes as at the Succession Date (and, for the avoidance of doubt, in respect of First-to-Default Basket CLNs, the remaining Reference Entities in the basket will continue to be Reference Entities in respect of the entire Aggregate Nominal Amount of the Notes as at the Succession Date) or (ii) if the Credit Linked Notes are Linear Basket CLNs or Index Linked CLNs, in respect of a portion of the Reference Entity Notional Amount of the original Reference Entity

outstanding as at the Succession Date (subject to Additional CLN Condition 11 (*Successor Provisions*));

(iv) if one or more entities each succeeds, either directly or as provider of a Relevant Guarantee to more than 25 per cent. of the Relevant Obligations of the Reference Entity, and more than 25 per cent. of the Relevant Obligations of the Reference Entity remain with the Reference Entity, each such entity and the Reference Entity will each be a Successor (i) if the Credit Linked Notes are Single Name CLNs or First-to-Default Basket CLNs, in respect of a portion of the outstanding Aggregate Nominal Amount of the Credit Linked Notes as at the Succession Date (and, for the avoidance of doubt, in respect of First-to-Default Basket CLNs, the remaining Reference Entities in the basket will continue to be Reference Entities in respect of the entire Aggregate Nominal Amount of the Notes as at the Succession Date) or (ii) if the Credit Linked Notes are Linear Basket CLNs or Index Linked CLNs, in respect of a portion of the Reference Entity Notional Amount of the original Reference Entity outstanding as at the Succession Date subject to and in accordance with Additional CLN Condition 11 (*Successor Provisions*);

(v) if one or more entities succeeds, either directly or as provider of a Relevant Guarantee to a portion of the Relevant Obligations of the Reference Entity, but no entity succeeds to more than twenty-five per cent. of the Relevant Obligations of the Reference Entity and the Reference Entity continues to exist, there will be no Successor and the Reference Entity and the Credit Linked Notes will not be changed in any way as a result of such succession;

(vi) if one or more entities succeeds either directly or as provider of a Relevant Guarantee to a portion of the Relevant Obligations of the Reference Entity, but no entity succeeds to more than twenty-five per cent. of the Relevant Obligations of the Reference Entity and the Reference Entity ceases to exist, the entity which succeeds to the greatest percentage of Relevant Obligations will be the Successor (provided that if two or more entities succeed to an equal percentage of Relevant Obligations, each such entity will be a Successor) subject to and in accordance with the provisions of Additional CLN Condition 11 (*Successor Provisions*); and

(vii) in respect of a Reference Entity which is not a Sovereign, if one entity assumes all of the obligations (including at least one Relevant Obligation) of the Reference Entity, and at the time of the determination either (i) the Reference Entity has ceased to exist, or (ii) the Reference Entity is in the process of being dissolved (howsoever described) and the Reference Entity has not issued or incurred any Borrowed Money obligation at any time since the legally effective date of the assumption, such entity (the "**Universal Successor**") will be the sole Successor in respect of the relevant Series.

For the purposes of this definition, "**succeed**" means, with respect to the Reference Entity and its Relevant Obligations, that an entity other than the Reference Entity (A) assumes or becomes liable for such Relevant Obligations whether by operation of law or pursuant to any agreement (including, with respect to a Reference Entity that is a Sovereign, any protocol, treaty, convention, accord, concord, entente, pact or other agreement), or (B) issues Bonds or incurs loans (the "**Exchange Bonds or Loans**") that are exchanged for Relevant Obligations (or, as applicable, obligations), and in either case the Reference Entity is not thereafter a direct obligor or a provider of a Relevant Guarantee with respect to the Relevant Obligations or such Exchange Bonds or Loans, as applicable. For the purposes of this definition, "**succeeded**" and "**succession**" shall be construed accordingly.

"**Successor Backstop Date**" means for purposes of any Successor determination determined by DC Resolution, the date that is 90 calendar days prior to the Successor Resolution Request Date otherwise, the date that is 90 calendar days prior to the earlier of (a) the date on which the Successor Notice is effective and (b) in circumstances where (i) a Successor Resolution Request Date has occurred, (ii) the relevant Credit Derivatives Determinations Committee has Resolved not to make a Successor determination and (iii) the Successor Notice is delivered by the Calculation Agent to the Issuer not more than 14 calendar days after the day on which the DC Secretary publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved not to make a Successor determination, the Successor Resolution Request Date. The Successor Backstop Date shall not be subject to adjustment in accordance with any Business Day Convention.

"**Succession Date**" means the legally effective date of an event in which one or more entities succeed to some or all of the Relevant Obligations of the Reference Entity; provided that if at such time, there is a Steps Plan, the Succession Date will be the legally effective date of the final succession in respect of such Steps Plan, or if earlier (a) the date on which a determination pursuant to sub-paragraph (a) of the definition of "Successor" would not be affected by any further related successions in respect of such Steps Plan, or (b) the occurrence of an Event Determination Date in respect of the Reference Entity or any entity which would constitute a Successor.

"**Successor Notice**" means an irrevocable notice from the Calculation Agent to the Issuer that describes a succession (or, in relation to a Reference Entity that is a Sovereign, a Sovereign Succession Event) in respect of which a Succession Date has occurred and pursuant to which one or more Successors to the Reference Entity can be determined. A Successor Notice must contain a description in reasonable detail of the facts relevant to the determination to be made pursuant to sub-paragraph (a) of the definition of "Successor".

"**Successor Resolution Request Date**" means, with respect to a notice to the DC Secretary requesting that a Credit Derivatives Determinations Committee be convened to Resolve one or more Successors to the Reference Entity, the date, as publicly announced by the DC Secretary, that the relevant Credit Derivatives Determinations Committee Resolves to be the date on which such notice is effective.

"**Suspended Interest Payment Date**" has the meaning given to it in Additional CLN Condition 3(b) (*Suspension of Interest*).

"**Swap Counterparty CSA Interest Amount**" means the amount (if any) of the Interest Amount (as defined in the Credit Support Annex) that the Swap Counterparty is obliged to transfer to the Issuer as a result of the Credit Linked Notes falling due for redemption (or, where the applicable Issue Terms specify that Classes apply, the portion of such Interest Amount that the Calculation Agent determines, acting in a commercially reasonable manner to be attributable to the relevant Class of Credit Linked Notes being redeemed).

"**TARGET Settlement Day**" means any day on which TARGET2 (the Trans-European Automated Real-time Gross Settlement Express Transfer System) is open.

"**Term**" means the period commencing on and including the Trade Date and ending on and including the Scheduled Maturity Date (or, if applicable, Extended Maturity Date) of the Credit Linked Notes.

"**Trade Date**" means the date specified as such in the relevant Issue Terms.

"**Transaction Auction Settlement Terms**" means the relevant Credit Derivatives Auction Settlement Terms, whether or not the Credit Linked Notes are covered by such Credit Derivatives Auction Settlement Terms; provided that (a) the relevant Deliverable Obligations Terms are substantially the same as the Deliverable Obligations Provisions with respect to the Credit Linked Notes, and (b) if

such Credit Event is a Restructuring for which either "Restructuring Maturity Limitation and Fully Transferable Obligation" or "Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation" is applicable or deemed to be applicable, a credit derivatives transaction with the same tenor as the Credit Linked Notes would be an "Auction Covered Transaction" for the purposes of the relevant Credit Derivatives Auction Settlement Terms.

"**Transaction Type**" means, for the purposes of the application of the Physical Settlement Matrix to a Series where "Physical Settlement Matrix Standard Terms" is specified as applicable in the relevant Issue Terms, each Reference Entity designated as one of the following in the relevant Issue Terms:

(a) North American Corporate;

(b) European Corporate;

(c) European Financial Corporate;

(d) Australia Corporate;

(e) Australia Financial Corporate;

(f) New Zealand Corporate;

(g) New Zealand Financial Corporate;

(h) Japan Corporate;

(i) Japan Financial Corporate;

(j) Singapore Corporate;

(k) Singapore Financial Corporate;

(l) Asia Corporate;

(m) Asia Financial Corporate;

(n) Asia Sovereign;

(o) Emerging European & Middle Eastern Sovereign;

(p) Japan Sovereign;

(q) Australia Sovereign;

(r) New Zealand Sovereign;

(s) Singapore Sovereign;

(t) Latin America Sovereign;

(u) Western European Sovereign,

and any other Transaction Type which may be added to the Physical Settlement Matrix from time to time.

"**Transferable**" means an obligation that is transferable to institutional investors without any contractual, statutory or regulatory restriction provided that none of the following shall be considered contractual, statutory or regulatory restrictions:

(a) contractual, statutory or regulatory restrictions that provide for eligibility for resale pursuant to Rule 144A or Regulation S promulgated under the US Notes Act of 1933, as amended (and

any contractual, statutory or regulatory restrictions promulgated under the laws of any jurisdiction having a similar effect in relation to the eligibility for resale of an obligation);

(b) restrictions on permitted investments such as statutory or regulatory investment restrictions on insurance companies and pension funds; or

(c) restrictions in respect of blocked periods on or around payment dates or voting periods.

"**Underlying Obligation**" means, with respect to a guarantee, the obligation which is the subject of the guarantee.

"**Underlying Obligor**" means, with respect to an Underlying Obligation, the issuer in the case of a Bond, the borrower in the case of a Loan, or the principal obligor in the case of any other Underlying Obligation.

"**Universal Successor**" has the meaning given in the definition of Successor.

"**Valuation Obligation Valuation Date**" has the meaning given to it in Additional CLN Condition 7(*Cash Redemption Terms*).

"**Valuation Time**" means the time specified as such in the relevant Issue Terms or, if no such time is specified, the time determined by the Calculation Agent, which shall be as close as reasonably practicable to 11:00 a.m. London time, unless the Calculation Agent determines that the principal market valuing the Reference Obligation would be closed at such time or such transactions are not being conducted in sufficient volume (as determined by the Calculation Agent) at such time, in which event the Valuation Time shall be such other time as may be specified by the Calculation Agent that such principal market is open.

"**Valuation Obligations**" means, where Cash Redemption applies, one or more obligations, as selected by the Calculation Agent, provided such obligations(s) are either a Reference Obligation and/or would constitute a Deliverable Obligation as at the Valuation Obligation Valuation Date (and for the purposes of interpreting the Deliverable Obligation Category and the Deliverable Obligation Characteristics, references to "the date on which it is due to be delivered in an Auction" shall be read and construed as references to the Valuation Obligation Valuation Date).

"**Value of the Valuation Obligations**" means, if Cash Redemption applies, the value of the Valuation Obligation(s) selected by the Calculation Agent, expressed as a percentage, determined in accordance with the Quotation Method, provided that for the purposes of identifying the Valuation Obligations, references to "the date on which a Deliverable Obligation is due to be delivered into an Auction" in the definition of "Deliverable Obligation" shall be deemed to be a reference to "Valuation Obligation Valuation Date" and provided further that if an Asset Package Credit Event has occurred any Deliverable Obligation which is a Prior Deliverable Obligation or a Package Observable Bond (as applicable) shall include the resulting Asset Package and the Value of the Valuation Obligations for such Deliverable Obligation or Package Observable Bond shall be the Value of the Valuation Obligations for the relevant Asset Package determined in accordance with Additional CLN Condition 7(b)(iv) (*Determination of the Value of the Valuation Obligations*).

"**Voting Shares**" means the shares or other interests that have the power to elect the board of directors or similar governing body of an entity.

"**Weighting**" means, in respect of a Reference Entity, the percentage weighting specified for such Reference Entity in the relevant Issue Terms or, if no Weighting is specified for such Reference Entity, an amount (expressed as a percentage) equal to the Reference Entity Notional Amount of the Reference Entity to which the relevant Credit Event relates, divided by the Aggregate Nominal Amount

of the Credit Linked Notes, in each case as at the Issue Date, unless otherwise provided in the Issue Terms.

# ANNEX TO THE CLN CONDITIONS PRODUCT SUPPLEMENT FREQUENTLY ASKED QUESTIONS

*For the avoidance of doubt, this annex to the CLN Conditions Product Supplement shall not form part of the Additional CLN Conditions.*

The questions and answers set out below highlight selected information to help prospective investors understand the Credit Linked Notes. However, any decision to invest in the Credit Linked Notes should only be made after careful consideration of the Base Prospectus and the relevant Terms and Conditions in their entirety, particularly, the terms and conditions of the Credit Linked Notes set out in the CLN Conditions Product Supplement and as amended, supplemented and varied by the relevant Issue Terms (the "**Conditions**" of the Credit Linked Notes). This section should be treated as an introduction to certain terms of the Credit Linked Notes. It is not intended to be a substitute for, nor a summary of, the Conditions of the Credit Linked Notes.

Capitalised terms in relation to the following questions and answers shall have the meaning specified in the Additional CLN Conditions.

***What is the difference between the Credit Linked Notes and an ordinary debt security?***

The Credit Linked Notes are similar to an ordinary debt security in that they provide the investor with a regular stream of interest payments and the return of par on maturity in the ordinary course (although bear in mind that the Issuer is a special purpose vehicle and recourse is limited to the Mortgaged Property in respect of the Notes). However, the Credit Linked Notes have the added feature not present in ordinary debt securities of an exposure to the credit of one or more Reference Entities. If a Credit Event occurs in relation to a Reference Entity, an investor may lose all or part of its investment in the Notes.

The amount of interest and principal which an investor receives will depend on whether a Credit Event occurs with respect to any Reference Entity and whether an Event Determination Date occurs as a result. If no Event Determination Date has occurred and the Calculation Agent does not believe that such an event (or a Collateral Event will occur), then the Credit Linked Notes will be redeemed at their outstanding nominal amount on the Maturity Date. If an Event Determination Date occurs, except where such event results from a Restructuring Credit Event in respect of which there is a partial exercise or where the Credit Linked Notes are Linear Basket CLNs or Index Linked CLNs, the Notes will be redeemed early in an amount in aggregate equal to the Early Cash Redemption Amount, with no further payment of principal or interest on the Notes (see further "*What is an Event Determination Date?" and "What are Noteholders paid if the Notes redeem early due to the occurrence of a Credit Event?"* below). The Early Cash Redemption Amount is likely to be less than the par value of the Credit Linked Notes and may even be zero (see further "*What are Noteholders paid if the Notes redeem early due to the occurrence of a Credit Event?"* below). Interest will cease to accrue on the Credit Linked Notes (or the Applicable Proportion where they are to redeem in part) from and including the Interest Payment Date immediately preceding the Event Determination Date or, if there have not been any previous Interest Payment Dates, from and including the Interest Commencement Date.

The Early Cash Redemption Amount takes into account the Credit Event Loss Amount which is the settlement amount as a result of the Credit Event in relation to the Reference Entity. The greater the Credit Event Loss Amount in relation to the Reference Entity, the lower the Early Cash Redemption Amount that is payable to the Noteholders in relation to the Notes.

***What are Credit Linked Notes?***

Credit Linked Notes are debt securities, the value of which is linked to the credit risk of one or more Reference Entities. The amount of interest and principal which investors will receive on the Credit Linked Notes is dependent on whether certain Credit Events occur in respect of any relevant Reference Entity to which the Notes are linked.

In purchasing the Credit Linked Notes, investors are assuming credit risk exposure to each Reference Entity (and possible successors thereof). A Credit Linked Note is broadly intended to give the investor access to a credit default swap referencing certain Reference Entit(y)(ies) in funded format. Therefore, many of the features and risks applicable to a market standard credit default swap referencing the relevant Reference Entit(y)(ies) will be equally applicable to the Credit Linked Notes.

***What are Single Name CLNs?***

Single Name CLNs represent an investment linked to the performance of only one Reference Entity specified in the relevant Issue Terms. If a Credit Event and a relevant Event Determination Date occurs then each Note will be redeemed in full by payment of the Early Cash Redemption Amount, being an amount calculated as an amount per Note equal to the Specified Currency equivalent of an amount equal to the greater of (i) zero and (a) the Collateral Proceeds; plus (b) the Affected Swap Gain payable by the Swap Counterparty to the Issuer (if any); minus (c) the Affected Swap Loss payable by the Issuer to the Swap Counterparty (if any); minus (d) the Credit Event Loss Amount; plus (e) where all Credit Linked Notes are being redeemed, the Swap Counterparty CSA Interest Amount.

***What are Linear Basket CLNs?***

Linear Basket CLNs represent an investment linked to the performance of a basket of two or more Reference Entities specified in the relevant Issue Terms. The Notes are exposed to the credit risk of each Reference Entity in the basket in proportion to the weighting specified for such Reference Entity in the relevant Issue Terms. If a Credit Event and relevant Event Determination Date occurs in respect of any one of the Reference Entities in the basket then each Linear Basket CLN will be redeemed in part, in proportion to the weighting of the Affected Reference Entity, by payment of the Early Cash Redemption Amount calculated as described under "*What are Single Name CLNs?*" above. Credit Events, and therefore Event Determination Dates, may occur with respect to more than one Reference Entity.

The Early Cash Redemption Amount will be determined by reference to the exercised portion of the Notes equal to the weighting of the Affected Reference Entity.

***What are First-to-Default Basket CLNs?***

First-to-Default Basket CLNs represent an investment linked to the performance of a basket of two or more Reference Entities specified in the relevant Issue Terms. First-to-Default Basket CLNs are similar to Linear Basket CLNs in that they are exposed to the credit risk of each Reference Entity in the basket. However, if a Credit Event and a relevant Event Determination Date occurs in respect of any one of the Reference Entity in the basket, then each First-to-Default CLN will be redeemed in full (or, where an M(M)R Restructuring occurs, in part) by payment of the Early Cash Redemption Amount calculated as described under "*What are Single Name CLNs?*" above. A Credit Event, and therefore Event Determination Date, may only occur with respect to one of the Reference Entities.

Multiple Credit Events and related Event Determination Dates may occur in respect of First-to-Default CLNs in accordance with the relevant M(M)R Restructuring and Successor provisions.

***What are First Default Linear Basket CLNs?***

First Default Linear Basket CLNs represent an investment linked to the performance of a basket of two or more Reference Entities specified in the relevant Issue Terms. First Default Linear Basket CLNs are similar to First-to-Default Basket CLNs and Linear Basket CLNs in that they are exposed to the credit risk of each Reference Entity in the basket. However, if a Credit Event and a relevant Event Determination Date occurs in respect of any one of the Reference Entity in the basket, then each First Default Linear Basket CLN will be redeemed in full by payment of the Early Cash Redemption Amount calculated as described under "*What are Single Name CLNs?*" above, for which purpose (i) the Affected Swap Value will include the portion of the CDS relating to each Non-Affected Reference Entity and exclude the portion of the CDS relating to the Affected Reference Entity and (ii) the Credit Event Loss Amount will be determined by reference to the Reference Entity Notional Amount of the Affected Reference Entity only. A Credit Event, and therefore Event Determination Date, may only occur with respect to one of the Reference Entities.

***What are Index Linked CLNs?***

Index Linked CLNs represent an investment linked to the performance of an index of Reference Entities specified in the relevant Issue Terms. The Notes are exposed to the credit risk of each Reference Entity in the index in proportion to the weighting specified for such Reference Entity in the relevant Issue Terms.

If a Credit Event and relevant Event Determination Date occurs in respect of any one of the Reference Entities in the index then each Index Linked CLN will be redeemed in part, in proportion to the weighting of the Affected Reference Entity, by payment of the Early Cash Redemption Amount calculated as described under "*What are Single Name CLNs?*" above. Credit Events, and therefore Event Determination Dates, may occur with respect to more than one Reference Entity.

The Early Cash Redemption Amount will be determined by reference to the exercised portion of the Notes equal to the weighting of the Affected Reference Entity.

***What are Fixed Recovery Notes?***

If "Fixed Recovery Redemption" is specified as applicable then, following the occurrence of a Credit Event and relevant Event Determination Date, the amount payable on redemption on the relevant Early Redemption Date shall be calculated as set out in "*What are Single Name CLNs?*", "*What are Linear Basket CLNs?*", "*What are First-to-Default Basket CLNs*" and *"What are Index Linked CLNs?"* above, provided that instead of the Auction Final Price or Value of the Valuation Obligations, as the case may be, the "Fixed Recovery Percentage" set out in the relevant Issue Terms shall apply, which may be zero.

***What is credit risk?***

Credit risk with respect to a Reference Entity is the risk that the Reference Entity fails to perform its obligations under certain types of transactions of the Reference Entity. This is generally (but not exclusively) as a result of a deterioration in its financial condition.

For the Credit Linked Notes, the credit risk is in relation to a broad range of transactions of a Reference Entity and extends to any borrowed money obligations of the Reference Entity. Borrowed money obligations would include any loan agreements entered into by the Reference Entity and any debt securities issued by the Reference Entity.

The financial condition and creditworthiness of a Reference Entity may change over time. Public information which is available in relation to a Reference Entity may be incomplete, misleading or out

of date. The identity of each Reference Entity is subject to change as a result of corporate or other actions such as a merger or demerger. The risks associated with a successor Reference Entity may be greater than the risks associated with the original Reference Entity.

If the Notes are linked to multiple Reference Entities, the probability that a Credit Event will occur may be increased. The credit risk to investors may further be increased if the Reference Entities are concentrated in a particular industry sector or geographic area, or if they have exposure to similar financial or other risks.

***What is the difference between the Credit Linked Notes and a bond issued by the Reference Entity?***

The Credit Linked Notes give the investor exposure to the credit risk of the Reference Entity without having to own a bond or other type of debt obligation of such Reference Entity. The Reference Entity itself is not a party to and has no direct involvement in the Credit Linked Notes and an investor will not be able to claim against the Reference Entity or Issuer for any losses it suffers from a Credit Event of the Reference Entity. Neither the Issuer nor the Swap Counterparty is obliged to hold any obligation of the Reference Entity or otherwise have credit risk exposure to the Reference Entity. In addition to the credit risk of a Reference Entity to which the Credit Linked Notes are linked, an investor will also be exposed to other credit risks in relation to, for example, the Original Collateral Obligor, the Custodian and the Swap Counterparty. Therefore, even if the Reference Entity is performing well, an investor may still suffer a loss as a result of these other credit risks.

***What is ISDA?***

The International Swaps and Derivatives Association, Inc. ("**ISDA**") is a trade organisation of participants in the market for over-the-counter derivatives. It is headquartered in New York and is responsible for creating standardised contracts such as the ISDA Master Agreement and the 2014 ISDA Credit Derivatives Definitions and a wide range of related documentation, that are used to enter into derivatives transactions. Definitions, confirmations and other documents and information published by ISDA are available on ISDA's website: http://www2.isda.org/. Certain publications are available free of charge while others are available to subscribers of the website only.

At the date of this Base Prospectus, ISDA has over 800-member institutions from 64 countries. These members include a broad range of OTC derivatives market participants.

***What is a Credit Event?***

A Credit Event is, broadly speaking, an event which is regarded as being indicative of a default or material decline in the creditworthiness of the Reference Entity.

Credit Events are determined by reference to the relevant Reference Entity itself and certain eligible types of obligations of such Reference Entity which, in relation to the Notes, include loans, debt securities or other borrowed money obligations of the Reference Entity ("**Reference Entity Obligations**"). If the applicable "Transaction Type" in respect of a Reference Entity is specified as "Standard Emerging European Corporate LPN" in the relevant Issue Terms, the Obligations of the Reference Entity will include loan participation notes which are issued for the sole purpose of providing funds for the issuer(s) of such loan participation notes to finance a loan or provide alternative finance to the relevant Reference Entity. Accordingly, a Credit Event may occur in respect of obligations that are not direct obligations of the relevant Reference Entity.

The Credit Events relevant to the Credit Linked Notes are any of the following events with respect to the Reference Entity, which will apply to a Credit Linked Note if specified or elected by reference to a specified transaction type in the relevant Issue Terms:

(a) **Failure to Pay**: a failure by the Reference Entity to pay amounts when due under its Reference Entity Obligations, where the failure to pay relates to an amount greater than a pre-determined minimum amount;

(b) **Bankruptcy**: a bankruptcy or insolvency procedure in respect of the Reference Entity;

(c) **Restructuring**: a restructuring of a Reference Entity Obligation of the Reference Entity which amends key terms of that Reference Entity Obligation as to repayment of principal or payment of interest thereunder;

(d) **Obligation Acceleration**: the acceleration of a Reference Entity Obligation of the Reference Entity before it would otherwise be due and payable in respect of a pre-determined minimum amount;

(e) **Obligation Default**: a Reference Entity Obligation of the Reference Entity in respect of a pre-determined minimum amount becomes capable of being declared due and payable before it would otherwise be due and payable;

(f) **Repudiation/Moratorium**: the Reference Entity repudiates a Reference Entity Obligation in respect of a pre-determined minimum amount or imposes a moratorium in respect of a Reference Entity Obligation in respect of such minimum amount and a failure to pay under such obligation subsequently occurs within a specified time period; or

(g) **Governmental Intervention**: an event which would result in the reduction or deferral of payment of principal or interest or change in ranking of priority in, an expropriation of or the mandatory cancellation of a Reference Entity Obligation as the result of an action taken or announcement made by a Governmental Authority.

***When does a Credit Event need to occur to affect the pay-out on the Notes?***

If a relevant Credit Derivatives Determinations Committee resolves that a Credit Event has occurred in relation to any Reference Entity or a Reference Entity Obligation thereof (see further "*What are the Credit Derivatives Determinations Committees and how do they affect the Notes?*" below), such Credit Event must have occurred during the period from and including the date that is 60 calendar days prior to the date on which it first received a request to resolve whether or not such Credit Event has occurred (the "**Credit Event Resolution Request Date**") to and including the Scheduled Maturity Date (subject to extension in certain circumstances). Whereas, if the Swap Counterparty determines that a Credit Event has occurred in relation to any Reference Entity or a Reference Entity Obligation thereof and delivers a Credit Event Notice to the Issuer to that effect, when the Credit Derivatives Determinations Committee is not going to consider the same, such Credit Event must have occurred during the period from 60 calendar days prior to the earlier of the effective delivery date of such Credit Event Notice and the Credit Event Resolution Request Date (subject to extension in certain circumstances).

***Can a Credit Event occur prior to the Issue Date?***

Yes. A Credit Event may occur prior to the Issue Date of the Notes and may even occur prior to the Trade Date specified in the applicable Issue Terms.

Noteholders should conduct their own review of any recent developments with respect to the Reference Entity by consulting publicly available information. If a request has been delivered to ISDA prior to the Trade Date to determine whether a Credit Event has occurred with respect to the Reference Entity, details of such request may be found on the ISDA website at http://dc.isda.org/.

***What is an Event Determination Date?***

In order for Notes to be redeemed following a Credit Event, it is necessary for a relevant Event Determination Date to have occurred. Depending on the circumstances, this may be the date on which a notice describing the occurrence of the Credit Event has been delivered (together with, if applicable, a notice containing publicly available information confirming the occurrence of the Credit Event), or the date on which, amongst other things, it is publicly announced that a Credit Derivatives Determinations Committee will be convened to determine if a certain Credit Event has occurred.

***Can an Event Determination Date only occur if a Credit Derivatives Determinations Committee determines that one has occurred?***

No. The Swap Counterparty may also deliver a Credit Event Notice to the Issuer in relation to a Credit Event triggering an Event Determination Date. Such notice may be delivered at any time within the Notice Delivery Period including where a Credit Derivatives Determinations Committee has not resolved that a Credit Event has occurred.

Although the Swap Counterparty may trigger an Event Determination Date following the occurrence of a Credit Event it will only be able to do so if (i) a Credit Derivatives Determinations Committee has not already determined that such an event does not constitute a Credit Event; (ii) it has some information to support its determination that a Credit Event has occurred and (iii) (in circumstances where a Notice of Publicly Available Information is required to be provided) it cites Publicly Available Information confirming the occurrence of the Credit Event described in the Credit Event Notice.

***What are Noteholders paid if the Notes redeem early due to the occurrence of a Credit Event?***

If the Credit Linked Notes redeem early due to the occurrence of a Credit Event, Noteholders will be paid their *pro rata* share of the Early Cash Redemption Amount.

The Early Cash Redemption Amount where Notes redeem early due to the occurrence of a Credit Event is an amount determined with respect to the Notes in the Specified Currency, by the Calculation Agent equal to (a) the Collateral Proceeds, plus (b) the Affected Swap Gain in relation to the Swap Agreement (if any), minus (c) the Affected Swap Loss in relation to the Swap Agreement (if any), minus (d) the Credit Event Loss Amount (if any) and plus (e) where all Credit Linked Notes are being redeemed, any interest amount to be transferred to the Issuer by the Swap Counterparty in respect of the cash balance from time to time (if any) within the Issuer's Credit Support Balance.

The Affected Swap Gain or Affected Swap Loss (as applicable) reflects the market value of the Swap Agreement, as determined by the Calculation Agent acting in a commercially reasonable manner. Where the applicable Issue Terms specify that Classes apply, the Affected Swap Gain or Affected Swap Loss in respect of each Class of Notes will be valued separately in the Base Currency for such Class.

***What are Noteholders paid if the Notes redeem early for reasons other than the occurrence of a Credit Event?***

The Early Cash Redemption Amount where the Notes redeem for reasons other than the occurrence of a Credit Event is an amount determined with respect to the Notes in the Specified Currency, by the Calculation Agent equal to (a) the Collateral Proceeds, plus (b) the portion of any Termination Payment in respect of the Swap Agreement that is payable to the Issuer by the Swap Counterparty and is, where the applicable Issue Terms specify that Classes apply, attributable to such Class of Notes being redeemed, minus (c) the portion of any Termination Payment in respect of the Swap Agreement that is payable by the Issuer to the Swap Counterparty and is, where the applicable Issue Terms specify that Classes apply, attributable to such Class of Notes being redeemed, plus (d) where

all Credit Linked Notes are being redeemed any interest amount to be transferred to the Issuer by the Swap Counterparty in respect of the cash balance from time to time (if any) within the Issuer's Credit Support Balance. Each of limbs (b), (c) and (d) will be subject to the determination by the Calculation Agent, acting in a commercially reasonable manner, as to what portion or amount is attributable to the Swap Transaction relating to each Class of Notes being redeemed.

The Termination Payment payable to the Issuer from the Swap Counterparty, or from the Issuer to the Swap Counterparty, represents an aggregated amount due under the Swap Agreement following an early termination of the same.

***What is the Credit Event Loss Amount?***

The Credit Event Loss Amount is the settlement amount calculated in relation to a Credit Event with respect to any Reference Entity and such amount is taken into account in calculating the Early Cash Redemption Amount that is payable to the Noteholders on an early redemption of the Notes following the occurrence of a Credit Event.

The Credit Event Loss Amount is determined based on the price of certain eligible obligations ("**Valuation Obligations**") of the Reference Entity on a specified date following the occurrence of a Credit Event with respect to such Reference Entity. With respect to the Credit Linked Notes, the eligible obligations shall be one or more obligations, as selected by the Calculation Agent, that are either a Reference Obligation and/or would constitute a Deliverable Obligation as at the particular observation time in accordance with elections made in the relevant Issue Terms. The price of such eligible obligations may be determined either by an Auction or, where Cash Settlement applies, on the basis of bid quotations received by the Calculation Agent from third party dealers.

***How is the Credit Event Loss Amount determined if Auction Redemption applies?***

Unless the Calculation Agent determines that Auction Redemption would not apply for certain specified reasons, the Credit Event Loss Amount will be determined by reference to a price determined by way of a credit derivatives auction sponsored by ISDA (an "**Auction**"). The Auction will involve a bidding process by institutions participating in the relevant Auction, pursuant to a bidding procedure set by ISDA, to establish the value of the eligible obligations (the "**Deliverable Obligations**") of the relevant Reference Entity. Credit Suisse International may act as a participating bidder in any such Auction and may submit bids and offers with respect to the Deliverable Obligations of the Reference Entity. If the applicable "Transaction Type" in respect of a Reference Entity is specified as "Standard Emerging European Corporate LPN" in the relevant Issue Terms, such obligations of the Reference Entity will include loan participation notes which are issued for the sole purpose of providing funds for the issuer(s) of such loan participation notes to finance a loan or provide alternative finance to the relevant Reference Entity.

Deliverable Obligations mean obligations of the Reference Entity which satisfy certain specified "Deliverable Obligation Categories" and "Deliverable Obligation Characteristics". If the applicable "Transaction Type" in respect of a Reference Entity is specified as "Standard Emerging European Corporate LPN" in the relevant Issue Terms, such obligations of the Reference Entity will include loan participation notes which are issued for the sole purpose of providing funds for the issuer(s) of such loan participation notes to finance a loan or provide alternative finance to the relevant Reference Entity.

If Auction Redemption applies, the Credit Event Loss Amount will be equal to:

(a) in respect of Credit Linked Notes other than First Default Linear Basket CLNs, the product of (I) the Applicable Proportion of the Notes being redeemed and (II) 100 per cent. minus the price

(expressed as a percentage) determined through the Auction for certain obligations of such Affected Reference Entity; and

(b) in respect of First Default Linear Basket CLNs, the product of (I) the Weighting of the Affected Reference Entity and (II) 100 per cent. minus the price (expressed as a percentage) determined through the Auction for certain obligations of such Affected Reference Entity.

The auction price is likely to be lower than the par value of the Deliverable Obligations of the Reference Entity and will be reflective of a loss experienced by the holder of such Deliverable Obligations. Moreover, the price is likely to reflect the lowest prevailing market value of any Deliverable Obligation. The lower the auction price, the greater the Credit Event Loss Amount which gets paid to the Swap Counterparty and thus the smaller the Early Cash Redemption Amount paid to Noteholders on an early redemption of the Notes.

***How is the Credit Event Loss Amount determined if Auction Redemption does not apply?***

If the Calculation Agent determines that Cash Redemption will apply, the Credit Event Loss Amount will be determined on the basis of the bid quotations sought by the Calculation Agent from third party dealers for the eligible obligations of the relevant Reference Entity selected by the Calculation Agent and satisfying certain specified obligation categories and obligation characteristics (such obligations being the Valuation Obligations). However, if no quotations are obtained, the Calculation Agent will determine the final price acting in a commercially reasonable manner. The Issuer will be entitled to select the cheapest Valuation Obligations for valuation. This could increase the Credit Event Loss Amount and, as a result, reduce the Early Cash Redemption Amount payable to Noteholders on an early redemption.

If Cash Redemption applies, the Credit Event Loss Amount will be equal to:

(a) in respect of Credit Linked Notes other than First Default Linear Basket CLNs, the product of (I) the Applicable Proportion of the Notes being redeemed and (II) 100 per cent. minus the price (expressed as a percentage) determined on the basis of such bid quotations sought by the Calculation Agent from third party dealers for the Valuation Obligations (or determined by the Calculation Agent if two or fewer quotations are obtained); and

(b) in respect of First Default Linear Basket CLNs, the product of (I) the Weighting of the Affected Reference Entity and (II) 100 per cent. minus the price (expressed as a percentage) determined on the basis of such bid quotations sought by the Calculation Agent from third party dealers for the Valuation Obligations (or determined by the Calculation Agent if two or fewer quotations are obtained).

***How much will Noteholders receive if the Notes are partially redeemed following a Restructuring Credit Event?***

In the case of all Credit Linked Notes other than First Default Linear Basket CLNs, if a Restructuring Credit Event occurs with respect to the Notes, and it constitutes an M(M)R Restructuring as elected in the Issue Terms, the Swap Counterparty may elect to trigger a partial redemption of the Notes in respect thereof. The Swap Counterparty has the right to decide whether it will exercise a partial redemption of such Notes. This mirrors the right to trigger partial settlement following the occurrence of an M(M)R Restructuring Credit Event under a credit default swap. The Early Cash Redemption Amount payable to Noteholders will reflect such partial redemption of the Credit Linked Notes.

For the avoidance of doubt, unless otherwise specified in the applicable Issue Terms, in the case of First Default Linear Basket CLNs, the Swap Counterparty will not have the right to trigger a partial

redemption of the Notes following an M(M)R Restructuring Credit Event and, accordingly, the Notes will redeem in full following any such Credit Event.

***What if a Restructuring Credit Event occurs and there is no outstanding Original Collateral?***

Where there is a Restructuring Credit Event and the Swap Counterparty has elected to trigger a partial redemption of the Notes but there is no Original Collateral standing to the credit of the Custody Account, a Liquidation shall not occur. The outstanding Aggregate Nominal Amount of the Notes shall be deemed to have been reduced by the Exercise Amount, the Swap Transaction will partially redeem, and an adjustment will be made to reflect the payments under the Credit Default Swap.

***How much will Noteholders receive if the Notes are not redeemed early?***

If no Event Determination Date has occurred, and provided that the Notes are not otherwise redeemed early, repurchased or cancelled (see further "*When may the Issuer redeem the Credit Linked Notes early?*" below), each Credit Linked Note will be redeemed on the Maturity Date (which may in certain circumstances have been extended) at its Final Redemption Amount, which, in such circumstances, will be an amount equal to par.

***May Noteholders elect to redeem their Credit Linked Notes early?***

The Noteholders do not have a right to require the Issuer to redeem their Notes early. The Dealer may, but is not obligated to, purchase the Notes at any time in the open market or by tender or private treaty.

***When may the Issuer redeem the Credit Linked Notes early?***

The Issuer may redeem the Notes early if (i) an Event Determination Date occurs (other than where the Credit Linked Notes are Linear Basket CLNs or Index Linked CLNs or where such Event Determination Date has occurred as a result of a Restructuring Credit Event and the Swap Counterparty selects an Exercise Amount which is less than 100 per cent., in which case an amount of Credit Linked Notes equal to the Reference Entity Notional Amount or Exercise Amount will be redeemed), (ii) a Collateral Event occurs with respect to any Original Collateral, (iii) a Trigger Event occurs, (iv) certain Regulatory Events occur, (v) certain tax events occur with respect to the Notes or the Original Collateral, (vi) the Swap Agreement is terminated early, (vii) certain events occur which make it unlawful for the Issuer to perform certain obligations, comply with material provisions of agreements entered into in connection with the Notes or hold Original Collateral, (viii) certain Events of Default occur or (ix) an Additional Redemption Event occurs. For further information see the section of the Base Prospectus entitled "*Risk Factors*".

***What interest payments will Noteholders receive after the occurrence of a Credit Event?***

If an applicable Credit Event and related Event Determination Date occur, interest shall cease to accrue on Single Name CLNs, Basket CLNs, Index Linked CLNs or where the applicable Credit Event is a M(M)R Restructuring, on a portion thereof equal to the Applicable Proportion (for further information see "*What is the Applicable Proportion*" below)) from and including the Interest Payment Date preceding such occurrence of the Event Determination Date or, (if no such Interest Payment Date exists), the Interest Commencement Date.

***If a Credit Event and Event Determination Date have not occurred will I receive payments of interest on each Interest Payment Date?***

The Issuer's obligation to make payment of interest on a specified Interest Payment Date may be suspended pursuant to Additional CLN Condition 3 (*Interest on Credit Linked Notes*) if (i) an Applicable DC Credit Event Question has been made on or prior to an Interest Payment Date and no

corresponding DC Resolution has been published or (ii) the Calculation Agent determines that factors exist which may amount to a Credit Event, then any interest payable under the Credit Linked Notes will be suspended or where the applicable Credit Event is a M(M)R Restructuring, on a portion thereof (or, in the case of Linear Basket CLNs or Index Linked CLNs, in relation to a portion of such Note equal to the Reference Entity Notional Amount of the Reference Entity in respect of which a potential Credit Event may occur) or where the applicable Credit Event is a M(M)R Restructuring, on a portion thereof equal to the Applicable Proportion.

***If payments of interest are suspended when will the Issuer's obligations to make such payments resume?***

Noteholders will not receive payment of such suspended interest amount until (i) an Applicable DC No Credit Event Announcement or an Applicable DC Credit Event Question Dismissal is made; (ii) the Calculation Agent determines that a potential Credit Event has not occurred or (iii) that an Event Determination Date has occurred but such Event Determination Date occurred after the Interest Payment Date in relation to which the interest payment was suspended. The Noteholders will be paid the suspended interest amount five Reference Business Days following the date on which the relevant determination under (i), (ii) or (iii), as applicable, was made.

***Will Noteholders receive an additional amount of interest once the Issuer's obligation to make interest payments resumes?***

No additional amount of interest will be payable to the Noteholders by the Issuer in connection with the delay or postponement in payment of an interest amount.

***What if a Credit Event and Event Determination Date are determined to have occurred during the period when interest payments were suspended?***

If an Applicable DC Credit Event Announcement is made and the corresponding Event Determination Date falls on or prior to the relevant Interest Payment Date then the suspended interest amount will no longer be due under the Credit Linked Notes and interest will be deemed to cease to accrue on the Notes (or, in the case of Linear Basket CLNs or Index Linked CLNs, a portion thereof equal to the Reference Entity Notional Amount of the Reference Entity in respect of which an Event Determination Date has occurred) from and including the Interest Payment Date immediately preceding such Event Determination Date (or, the Interest Commencement Date if there is no immediately preceding Interest Payment Date).

***What will happen to interest payments following a resumption of the Issuer's obligations to make interest payments if the applicable Credit Event and Event Determination Date relate to an M(M)R Restructuring?***

If an Applicable DC Credit Event Announcement is made and the corresponding Credit Event is an M(M)R Restructuring Credit Event, (i) the proportion of the suspended interest amount which relates to the Applicable Proportion shall no longer be due under the Notes and will be deemed to have ceased to accrue from and including the Interest Payment Date immediately preceding such Event Determination Date (or, the Interest Commencement Date if there is no immediately preceding Interest Payment Date) and (ii) the remaining suspended interest amount will be paid to Noteholders five Reference Business Days following the date on which the relevant Credit Event Notice is delivered.

***Can Credit Linked Notes be redeemed after the Scheduled Maturity Date?***

Yes. If the Calculation Agent considers that on or prior to the Scheduled Maturity Date, one or more Reference Entities is or may be subject to (i) a Credit Event, (ii) if "Grace Period Extension" is specified

as being applicable in the relevant Issue Terms, a Potential Failure to pay, or (iii) if "Repudiation/Moratorium" is specified as being applicable in the relevant Issue Terms, a Potential Repudiation Moratorium, then each Credit Linked Note then outstanding shall not be redeemed on the Scheduled Maturity Date but shall be redeemed on the Extended Maturity Date.

***When will the Notes be redeemed if the Scheduled Maturity Date is extended?***

If an Event Determination Date (i) has not occurred on or prior to the Notes Extension Date the Notes will be redeemed on the fifth Reference Business Day following the Notes Extension Date; and (ii) has occurred on or prior to the Notes Extension Date then the Notes will be redeemed on the Early Redemption Date in accordance with the Auction Redemption Terms, Cash Redemption Terms or Fixed Recovery Redemption Terms, as applicable.

***Will I receive an additional amount on account of interest if the Maturity Date is extended?***

If a Credit Event and related Event Determination Date are determined not to have occurred or are determined to not be applicable to the Notes then Noteholders may be entitled to receive interest on any unpaid amounts which were postponed and are payable on the Extended Maturity Date. The relevant Issue Terms will specify whether or not Postponement Interest is payable.

***How do changes in share prices of any Reference Entity affect the value of the Notes?***

Taking credit risk on the Reference Entity by purchasing Notes is different from taking equity risk by investing in shares of the Reference Entity. There are a number of reasons for this. For example:

(a) credit derivatives reference debt obligations of the Reference Entity, and a Reference Entity must generally pay amounts due to the creditors on these debt obligations before paying dividends or capital to shareholders;

(b) the obligations of the Reference Entity referenced by the Notes consist of bonds and other debt; holders of this type of debt will generally rank ahead of holders of ordinary shares in the insolvency of a Reference Entity, and so may have (but are not guaranteed) a higher rate of recovery of moneys due to them;

(c) because the Notes reference these debt obligations, the market value of the Notes is related to (although not necessarily equal to) the value of these debt obligations; and

(d) there is no direct link between share prices and the value of the Notes.

However, in some circumstances, change in the share price of the Reference Entity may result in or from, at a general level, a change in the market value of its debt and vice versa.

***What is the Applicable Proportion?***

The Applicable Proportion for determining the amount payable on redemption or partial redemption of a Credit Linked Note following the occurrence of a Credit Event will be:

(a) if the Credit Linked Note is a Single Name CLN, First Default Linear Basket CLN or a First-to-Default Basket CLN and redemption is not as a result of an M(M)R Restructuring Credit Event, 100 per cent.;

(b) if the Credit Linked Note is a Linear Basket CLN or an Index Linked CLN and redemption is not as a result of an M(M)R Restructuring Credit Event, the Weighting of the Affected Reference Entity; or

(c) if the redemption is as a result of an M(M)R Restructuring Credit Event:

(i) in the case of a Single Name CLN, an amount (expressed as a percentage) equal to the Exercise Amount specified in the relevant Credit Event Notice relating to the Affected Reference Entity divided by the Aggregate Nominal Amount of the Credit Linked Notes;

(ii) in the case of a First-to-Default Basket CLN, an amount (expressed as a percentage) equal to the sum of (A) the Exercise Amount specified in the relevant Credit Event Notice relating to the Affected Reference Entity, multiplied by the Weighting of the Affected Reference Entity, divided by the relevant Reference Entity Notional Amount and (B) the Reference Entity Notional Amount of each outstanding Non-Affected Reference Entity (if any);

(iii) in the case of a First Default Linear Basket CLN, 100 per cent.; or

(iv) in the case of a Linear Basket CLN or an Index Linked CLN, an amount (expressed as a percentage) equal to the Exercise Amount specified in the relevant Credit Event Notice relating to the Affected Reference Entity, multiplied by the Weighting of the Affected Reference Entity, divided by the relevant Reference Entity Notional Amount.

***What are the Financial Reference Entity Terms?***

Where the Reference Obligation is a senior obligation and, if "Financial Reference Entity Terms" has been specified as applicable, if a Credit Event would only affect the subordinated obligations of the relevant obligor, a Credit Event will not be triggered in respect of such senior obligation.

***What is Asset Package Delivery?***

If (a) a Restructuring Credit Event (which does not constitute a Governmental Intervention) or a Governmental Intervention Credit Event occurs with respect to such senior obligation, or (b) a Restructuring Credit Event occurs with respect to a Sovereign, such a Credit Event will constitute an "Asset Package Credit Event". In those circumstances, (unless, in respect of a Sovereign Reference Entity, Asset Package Delivery has been specified not to apply in the relevant Issue Terms), the obligations or assets used to determine the Auction Final Price or Value of the Valuation Obligations, as the case may be, (i.e. the "Asset Package") will be those assets received or retained by a Relevant Holder after the relevant Credit Event by reference to:

(i) in respect of (a) above, either an obligation of the Reference Entity which existed immediately prior to the Asset Package Credit Event which would have constituted a Deliverable Obligation, or the Reference Obligation (i.e. a "**Prior Deliverable Obligation**"); or

(ii) in respect of (b) above, a benchmark obligation of the relevant Sovereign identified as such by ISDA and published on its website which immediately prior to the Asset Package Credit Event would have constituted a Deliverable Obligation (i.e. a "**Package Observable Bond**").

***Is the Auction Final Price subject to change?***

Yes. The Calculation Agent has the discretion to adjust the Auction Final Price for any Asset Package if it determines that the Auction Final Price does not reflect the price for the entire Asset Package and in doing so the Calculation Agent may, but is not obliged to, have regard to any Auction Settlement Terms published by ISDA to settle credit derivatives transactions following an Asset Package Credit Event.

If the Calculation Agent decides to amend the Auction Final Price in such circumstances any corresponding adjustment to the price must comply with provisions of Additional CLN Condition 6(d) (*Auction Final Price of the Asset Package*) which includes (i) the Calculation Agent preserving the economic effects of the terms of the Credit Linked Notes; (ii) the Calculation Agent not taking into

account any method of determining the Asset Market Value of any Asset that is a Non-Transferable Instrument or a Non-Financial Instrument forming part of the Asset Package that has been taken into account in determining the Auction Final Price published by the DC Secretary.

The Calculation Agent is also under a duty to act in good faith and a commercially reasonable manner when making such determination pursuant to Master Condition 9(h) (*Determinations and actions*).

***What are the Credit Derivatives Determinations Committees and how do they affect the Notes?***

The Credit Derivatives Determinations Committees were established by ISDA in March 2009 to make determinations that are relevant to the majority of the credit derivatives market and to promote transparency and consistency. Noteholders will have no role in the composition of the Credit Derivatives Determinations Committee by virtue of the fact that they are investors in the Notes.

Prospective Noteholders should note that a Credit Derivatives Determinations Committee has the power to make binding decisions which the Calculation Agent may determine are applicable for the purposes of the Notes on critical issues, including:

(a) the occurrence of a Credit Event and Event Determination Date;

(b) whether one or more Auctions will be held in respect of the Reference Entity for which a Credit Event has occurred and the price determined in such Auction;

(c) if one or more Auctions is to be held, what Deliverable Obligations of the Reference Entity will be used for the purposes of determining the price for each such Auction; and

(d) the occurrence of a "Succession Event" and the identity of any "Successors".

Consequently, Noteholders will be bound by any such relevant decisions determined to be applicable to the Notes and the payments on the Notes and the timing of any such payments may be affected by such decisions or determinations. Questions referred to the Credit Derivatives Determinations Committee and the results of binding votes will be published on http://www2.isda.org/.

The Credit Derivatives Determinations Committees are regional and there is a Credit Derivatives Determinations Committee for each of the following five regions: the Americas, Asia (excluding Japan), Australia and New Zealand, Europe, the Middle East and Africa and Japan. The Credit Derivatives Determinations Committees which are relevant for the Notes will be the one constituted for Europe.

The proceedings of each Credit Derivatives Determinations Committee will be governed by rules published from time to time by ISDA. A copy of such rules is available as at the date of this Base Prospectus free of charge at http://www2.isda.org/.

Each Credit Derivatives Determinations Committee is composed of fifteen voting members and three non-voting consultative members. Ten of the voting members are dealer institutions, with eight serving across all regions and two potentially varying by region. The other five voting members are non-dealer institutions that serve across all regions. The three non-voting consultative members consist of one dealer institution and one non-dealer institution that serve across all regions and one dealer institution that could potentially vary by region.

As at the date of this Base Prospectus, Credit Suisse International and certain of its affiliates are members of one or more Credit Derivatives Determinations Committee. In reaching decisions, neither Credit Suisse International nor any other member of a Credit Derivatives Determinations Committee will take account of the interests of the Noteholders.

Whilst Credit Suisse International and certain of its affiliates acting in their respective capacities as members of any relevant Credit Derivatives Determinations Committee may make determinations in respect of Reference Entities and/or obligations of such Reference Entities which could have an adverse impact on the Notes held by investors, such determinations will not be made by Credit Suisse International or any applicable affiliate unilaterally.

***Is it possible to change a Reference Entity?***

The Reference Entity may not be changed unless a "Successor" determination has been made with respect to the Reference Entity on or after the "Successor Backstop Date" (or, in the case of a "Universal Successor", on or after 1 January 2014).

A "Universal Successor" means, with respect to any Reference Entity, the single entity which assumes all of the obligations (including at least one relevant bond or loan) of the Reference Entity and at the time of the determination either (A) the Reference Entity has ceased to exist, or (B) the Reference Entity is in the process of being dissolved (however described) and the Reference Entity has not issued or incurred any borrowed money obligation at any time since the legally effective date of the assumption.

***What is a "Successor" to the Reference Entity and how can succession affect the Notes?***

If the DC Secretary publicly announces that a Credit Derivatives Determinations Committee has resolved that a different entity or entities has or have become successor(s) to the original Reference Entity to which the Notes are linked, then such entity may be identified as a "Successor" to the original Reference Entity. The Calculation Agent under the Swap Agreement (being Credit Suisse International) may also, following a Succession Event, identify an entity or entities as a successor(s) to the original Reference Entity.

The identity of the original Reference Entity will be treated as having been amended accordingly for the purposes of the Notes so that, following the determination or announcement of a "Successor", the Notes will be linked to the credit risk of the Successor. The credit risk associated with a Successor or Successors may be different from and could be greater than the credit risk associated with the original Reference Entity.

The events which may lead to the determination or announcement of a Successor may occur at any time from and including the "Successor Backstop Date" (or, in the case of a "Universal Successor", on or after 1 January 2014), which is a rolling date that is:

(a) if a Credit Derivatives Determinations Committee receives a request to resolve whether or not there is one or more Successors to the Reference Entity, 90 calendar days prior to the date of such request (regardless of whether the Credit Derivatives Determinations Committee resolves to determine such matter or not); or

(b) otherwise, 90 calendar days prior to the date on which notice of the occurrence of a succession is delivered by the Calculation Agent under the Swap Agreement to the Issuer and the Swap Counterparty under the Swap Agreement.

***Can a succession occur prior to the Issue Date?***

Yes. A succession may occur prior to the Issue Date of the Credit Linked Notes and may even occur prior to the Trade Date specified in the applicable Issue Terms. The Successor Backstop Date may fall prior to the Trade Date and accordingly a succession may occur prior to the Trade Date.

Noteholders should conduct their own review of any recent developments with respect to the Reference Entity by consulting publicly available information. If a request has been delivered to

convene a Credit Derivatives Determinations Committee prior to the Trade Date to determine whether a succession has occurred with respect to the Reference Entity, details of such request may be found on the ISDA website http://dc.isda.org/.

***Does the Calculation Agent have unfettered discretion to determine a Successor?***

No. Although the Calculation Agent has the right to make a determination as to whether or not a succession event has occurred, its right is limited by the Additional CLN Conditions as follows: the Calculation Agent (i) cannot make such a determination if a Credit Derivatives Determinations Committee has already determined that such an event does not constitute a succession event; (ii) is required to act on the basis of Eligible Information and (iii) is required to act in a commercially reasonable manner.

***What rights and options does the Swap Counterparty have in respect of Credit Linked Notes?***

Noteholders should note that the Swap Counterparty will be entitled to exercise certain rights and options that would be exercisable by the protection buyer under a credit default swap which may affect the returns on the Notes including:

(a) in the absence of a resolution by a Credit Derivatives Determinations Committee as to whether a Credit Event has occurred in relation to the relevant Reference Entity, electing whether to deliver a Credit Event Notice and supporting information in order to trigger settlement of the Notes following the occurrence of a Credit Event;

(b) in certain circumstances where a Credit Derivatives Determinations Committee has determined that a Restructuring Credit Event has occurred, determining whether an Event Determination Date has occurred for the purposes of the Notes; and

(c) in certain circumstances following the occurrence of an M(M)R Restructuring, (i) to elect under the credit default swap the nominal amount of Credit Linked Notes to which such M(M)R Restructuring Credit Event applies and (ii) provided that the Swap Counterparty has notified the Issuer within three Reference Business Days of the initial relevant Event Determination Date of a nominal amount which is less than the Reference Entity Outstanding Amount then the Swap Counterparty may subsequently specify one or more Exercise Amounts in respect of such M(M)R Restructuring Credit Event by giving notice to the Issuer at any time prior to the Maturity Date.

***What are some of the key determinations that the Calculation Agent is responsible for making in relation to Credit Linked Notes?***

Noteholders should note that the Calculation Agent is responsible for making certain determinations with respect to the Notes.

The Calculation Agent is responsible for:

(a) determining whether an Auction would apply for the purposes of the Notes;

(b) where there are multiple Auctions held concurrently, determining the Auction which will apply to the Notes;

(c) where the Credit Event Loss Amount is not determined by an Auction, determining the Credit Event Loss Amount on the basis of bid quotations from third party dealers;

(d) where the Credit Event Loss Amount is not determined by an Auction, (i) determining a date for the valuation of certain eligible obligations and (ii) selecting third party dealers from which to obtain bid quotations for the purposes of such valuation;

(e) absent publication of Credit Derivatives Determinations Committee resolution, determining successor Reference Entities for the purposes of the Notes;

(f) absent publication of a Credit Derivatives Determinations Committee resolution, determining substitute Reference Obligation(s) for the purposes of the Notes;

(g) determining whether, under the terms of the Credit Linked Notes, the obligations of the parties would be suspended pending a resolution of a Credit Derivatives Determinations Committee;

(h) following the occurrence of an Event Determination Date, where a Credit Derivatives Determinations Committee resolves that an Event Determination Date occurred on a date that is different from the date first determined or that no Event Determination Date occurred, determining, acting in a commercially reasonable manner, any additional amount payable to the Noteholder(s) or any reduction in any subsequent amount that would otherwise subsequently be payable to the Noteholders; and

(i) where the redemption of the Notes is extended beyond the Scheduled Maturity Date, determining the Extended Maturity Date, which, provided that an Event Determination Date does not occur, will be a date falling no later than five Reference Business Days following the Notes Extension Date.

Noteholders should note that any determination and/or calculation made by the Calculation Agent shall, in the absence of manifest error, be final, conclusive and binding on the Issuer, the Noteholders and the Couponholders

# COLLATERAL BASKET PRODUCT SUPPLEMENT

## 1 Incorporation and Interpretation

### (a) Applicable Product Supplement

This Product Supplement is the "**Collateral Basket Product Supplement**". If the relevant Issue Terms specify that this Collateral Basket Product Supplement is an Applicable Product Supplement:

(i) the Notes shall be "Collateral Basket Notes";

(ii) the terms and conditions of the Notes shall be the Master Conditions, as amended and supplemented by the additional conditions comprising this Collateral Basket Product Supplement (the "**Additional Collateral Basket Conditions**"), as further amended and supplemented by the relevant Issue Terms.

This Collateral Basket Product Supplement shall not apply to Notes issued by way of Final Terms.

### (b) Type of Collateral Basket Note

The relevant Issue Terms shall specify one of "Full Unwind", "Partial Unwind" or "Partial Unwind with Shortfall".

### (c) Defined Terms

Certain terms are defined in Additional Collateral Basket Condition 5 (*Definitions*). Capitalised terms used but not defined in this Collateral Basket Product Supplement shall have the meanings given to them in the Master Conditions or the relevant Issue Terms.

Other than with respect to Master Condition 17 (*Limited Recourse and Non-Petition*) and to the extent relevant Master Condition 9(g) (*Determinations and actions*), to the extent of any inconsistency between (i) the Master Conditions and the Additional Collateral Basket Conditions, the Additional Collateral Basket Conditions will prevail; (ii) the Master Conditions and the relevant Issue Terms, the Issue Terms will prevail; and (iii) the Additional Collateral Basket Conditions and the relevant Issue Terms, the Issue Terms will prevail.

## 2 Amendment to Master Condition 7(g) (*Interest payable*)

Master Condition 7(g) (*Interest payable*) shall be amended such that the amount of interest payable per Calculation Amount in respect of any Note for any Interest Accrual Period shall be equal to the product of (i) the Rate of Interest, (ii) the Calculation Amount, (iii) the Outstanding Principal Percentage as at the last day of such Interest Accrual Period and (iv) the Day Count Fraction for such Interest Accrual Period unless an Interest Amount (or a formula for its calculation) is applicable to such Interest Accrual Period, in which case the amount of interest payable per Calculation Amount in respect of such Note for such Interest Accrual Period shall equal such Interest Amount (or be calculated in accordance with such formula).

## 3 Amendments to Master Condition 8 (*Redemption and Purchase*)

### (a) Disapplication of Master Condition 8(c) (*Redemption following a Collateral Event*)

Master Condition 8(c) (*Redemption following a Collateral Event*) shall not apply to the Notes and references to such Master Condition throughout shall be ignored.

### (b) Early redemption following a Collateral Event

The following Additional Redemption Event shall apply to the Notes for the purposes of Master Condition 8(k) (*Redemption following an Additional Redemption Event*):

"**Early redemption following a Collateral Event**

Provided that no Early Redemption Commencement Date or Early Redemption Date has occurred pursuant to any other Condition in respect of a Note (disregarding, where the Notes are Collateral Basket Notes and "Partial Unwind" or "Partial Unwind with Shortfall" is specified in the relevant Issue Terms, any Early Redemption Commencement Date that has occurred as a result of a different Collateral Component becoming an Affected Collateral Component), if the Calculation Agent determines that a Collateral Event has occurred with respect to any Collateral Component and gives notice of such determination (including a description in reasonable detail of the facts relevant to such determination) to the Issuer (copied to the Issuing and Paying Agent, the Trustee and the Swap Counterparty) pursuant to the Swap Agreement (the date of such determination being the "**Collateral Event Determination Date**"), then as soon as reasonably practicable, and in any event within the Early Redemption Notification Period commencing on (and including) the Collateral Event Determination Date, the Issuer (or the Issuing and Paying Agent on its behalf, having been supplied by the Issuer or the Calculation Agent with the relevant Early Redemption Notice) will give an Early Redemption Notice to the Noteholders of the determination of the Collateral Event (the date of such notice to the Noteholders being the "**Early Redemption Commencement Date**"), including a description in reasonable detail of the facts relevant to such determination (which (notwithstanding that if "Full Unwind" is specified in the relevant Issue Terms, the Notes will be due and payable in whole) shall include details of the Collateral Component in respect of which the Collateral Event has occurred), by forwarding with such Early Redemption Notice a copy of the notice delivered by the Calculation Agent with respect to the Collateral Event Determination Date or the information provided therein:

(i) Where "Full Unwind" is specified in the relevant Issue Terms, each Note shall become due and payable in whole on the related Early Redemption Date at its Early Cash Redemption Amount (which shall be the only amount payable and there will be no separate payment of any unpaid accrued interest thereon), irrespective of whether the relevant Collateral Event is continuing. The payment of such amount shall satisfy all the Issuer's obligations under and in relation to such Note.

For the avoidance of doubt, the occurrence of a Collateral Event in respect of any Collateral Component shall result in each Note becoming due and payable in whole at its Early Cash Redemption Amount notwithstanding that a Collateral Event may not have occurred in respect of the other Collateral Component(s).

(ii) Where "Partial Unwind" is specified in the relevant Issue Terms:

(A) The Calculation Agent shall determine the Partial Swap Value in respect of the Affected Collateral Component on a date falling as soon as reasonably practicable within five Business Days of the Early Redemption Commencement Date (such date of determination, the "**Collateral Valuation Date**").

(B) The Affected Collateral Component shall be Liquidated by the Disposal Agent in accordance with the provisions of Additional Collateral Basket Condition 4 (*Liquidation process*).

(C) Each Note shall become due and payable in part (or, where the Collateral Event occurs in respect of the sole outstanding Collateral Component, in whole) on the Early Redemption Date by payment to each Noteholder of its Early Cash Redemption Amount (if any), irrespective of whether the relevant Collateral Event is continuing and the payment of such amount shall satisfy the Issuer's obligations in respect of such *pro rata* proportion of each Note or the whole of such Note, as applicable.

(D) The outstanding nominal amount of each Note shall be reduced by an amount equal to the product of (X) the Weighting of the Affected Collateral Component and (Y) the Specified Denomination of such Note, for all purposes with effect from the relevant Early Redemption Date, unless payment of the relevant Early Cash Redemption Amount is improperly withheld or refused, in which case, such amount shall remain outstanding until the Relevant Date relating to such Early Cash Redemption Amount.

(E) The Outstanding Principal Percentage shall (without double counting)) decrease to reflect the deduction of the Weighting of the Affected Collateral Component so that Interest Amounts payable on any subsequent Interest Payment Date (if any) shall be determined on the basis of a reduced nominal amount.

(iii) Where "Partial Unwind with Shortfall" is specified in the relevant Issue Terms:

(A) The Calculation Agent shall determine the Partial Swap Value in respect of the Affected Collateral Component on a date falling as soon as reasonably practicable within five Business Days of the Early Redemption Commencement Date (such date of determination, the "**Collateral Valuation Date**").

(B) The Affected Collateral Component shall be Liquidated by the Disposal Agent in accordance with the provisions of Master Condition 13 (*Liquidation*).

(C) If there is a Partial Swap Loss payable by the Issuer to the Swap Counterparty, the Calculation Agent shall determine whether the liquidation proceeds of the Affected Collateral Component are sufficient to pay such Partial Swap Loss. If (x) the liquidation proceeds of the Affected Collateral Component minus (y) the Partial Swap Loss results in a negative number (the absolute value of such negative number being the "**Shortfall Amount**"), the Disposal Agent shall further Liquidate an amount of Additional Collateral (as determined in its sole discretion) in accordance with the provisions of Additional Collateral Basket Condition 4 (*Liquidation process*) such that the Additional Collateral Unwind Value is at least equal to the Shortfall Amount, save that if the Additional Collateral required to be Liquidated is equal to or greater than the sum of the remaining Original Collateral

standing to the credit of the Custody Account plus any Original Collateral then forming part of the Issuer's Credit Support Balance (a "**Collateral Exhaustion Event**"), then the Disposal Agent will not effect a Liquidation and the provisions of Additional Collateral Basket Condition 3(c) (*Redemption following a Collateral Exhaustion Event*) shall apply instead.

(D) Each Note shall become due and payable in part (or, where the Collateral Event occurs in respect of the sole outstanding Collateral Component, in whole) on the Early Redemption Date by payment to each Noteholder of its Early Cash Redemption Amount (if any), irrespective of whether the relevant Collateral Event is continuing and the payment of such amount shall satisfy the Issuer's obligations in respect of such *pro rata* proportion of each Note or the whole of such Note, as applicable.

(E) The outstanding nominal amount of each Note shall be reduced by an amount equal to the product of (X) the Weighting of the Affected Collateral Component plus, if a Shortfall Amount was determined, the Additional Collateral Weighting(s) in respect of the Additional Collateral liquidated in accordance with paragraph (C) above (if any) and (Y) the Specified Denomination of such Note, for all purposes with effect from the relevant Early Redemption Date, unless payment of the relevant Early Cash Redemption Amount is improperly withheld or refused, in which case, such amount shall remain outstanding until the Relevant Date relating to such Early Cash Redemption Amount.

(F) The Weighting of any Collateral Component from which Additional Collateral has been Liquidated shall be reduced by the corresponding Additional Collateral Weighting.

(G) The Outstanding Principal Percentage shall (without double counting) decrease to reflect the deduction of the Weighting of the Affected Collateral Component along with, if a Shortfall Amount was determined, the Additional Collateral Weighting(s) in respect of the Additional Collateral liquidated in accordance with paragraph (E) above (if any) so that Interest Amounts payable on any subsequent Interest Payment Date (if any) shall be determined on the basis of a reduced nominal amount.".

For such purposes:

(i) this Additional Collateral Basket Condition 2(b) shall be deemed to constitute part of Master Condition 8 (*Redemption and Purchase*) for the purposes of the definition of Early Redemption Notice and such definition shall be construed so as to also refer to this Additional Collateral Basket Condition 2(b) immediately after the reference to Master Condition 8(n) (*Redemption of all Classes following an Enforcement Notice in respect of certain Class(es) of Notes only*) therein; and

(ii) Master Condition 8(u) (*Effect of redemption, purchase and cancellation*) shall be construed so as to also refer to this Additional Collateral Basket Condition 2(b) immediately after the reference to Master Condition 8(n) (*Redemption of all Classes following an Enforcement Notice in respect of certain Class(es) of Notes only*) in both the first and second sentence thereof.

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

### (c) Redemption following a Collateral Exhaustion Event

The following Additional Redemption Event shall apply to the Notes for the purposes of Master Condition 8(k) (*Redemption following an Additional Redemption Event*):

"**Redemption following a Collateral Exhaustion Event**

Where "Partial Unwind with Shortfall" is specified in the relevant Issue Terms, provided that no Early Redemption Commencement Date or Early Redemption Date has occurred pursuant to any other Condition in respect of a Note (disregarding any Early Redemption Commencement Date that has occurred as a result of a Collateral Event), if the Calculation Agent determines that a Collateral Exhaustion Event has occurred with respect to the Original Collateral and gives notice of such determination (including a description in reasonable detail of the facts relevant to such determination) to the Issuer (copied to the Issuing and Paying Agent, the Trustee and the Swap Counterparty) (the date of such determination being the "**Collateral Exhaustion Event Determination Date**"), then:

(i) as soon as reasonably practicable, and in any event within the Early Redemption Notification Period commencing on (and including) the Collateral Exhaustion Event Determination Date, the Issuer (or the Issuing and Paying Agent on its behalf, having been supplied by the Issuer or the Calculation Agent with the relevant Early Redemption Notice) will give an Early Redemption Notice to the Noteholders of the determination of the Collateral Event (the date of such notice to the Noteholders being the "**Early Redemption Commencement Date**"), including a description in reasonable detail of the facts relevant to such determination, by forwarding with such Early Redemption Notice a copy of the notice delivered by the Calculation Agent with respect to the Collateral Exhaustion Event Determination Date or the information provided therein; and

(ii) each Note shall become due and payable on the related Early Redemption Date at its Early Cash Redemption Amount (which may not be less than zero and shall be the only amount payable and there will be no separate payment of any unpaid accrued interest thereon). The payment of such amount shall satisfy all the Issuer's obligations under and in relation to such Note.".

## 4 Amendments to Master Condition 13(b) (*Liquidation process*)

Master Condition 13(b) (*Liquidation process*) shall not apply to the Notes and for the purpose of these Additional Collateral Basket Conditions shall be replaced with the following:

"**(b) Liquidation process**

(i) **Following a Collateral Exhaustion Event pursuant to these Additional Collateral Basket Conditions**

Following receipt by it of a valid Liquidation Commencement Notice the Disposal Agent shall on behalf of the Issuer, so far as is practicable in the circumstances and to the extent that the relevant Collateral is outstanding (subject to paragraph (iii) below) effect a Liquidation of the Collateral commencing on the Liquidation Commencement Date with a view to Liquidating all the Collateral on or prior to the Early Valuation Date or the third Reference Business Day prior to the Relevant Payment Date, as applicable, provided that the Disposal Agent and the Issuer shall have no liability if the Liquidation of all Collateral has not been effected by such date. If the Collateral has not been Liquidated in full by such date, the Disposal Agent shall continue in its attempts to effect a Liquidation of the Collateral until such time (if any) as it is instructed by the Issuer to the contrary or until it receives a valid Enforcement Notice from the Trustee.

(ii) **Following a Collateral Event pursuant to these Additional Collateral Basket Conditions**

(I) Where "Full Unwind" is specified in the relevant Issue Terms, following receipt by it of a valid Liquidation Commencement Notice the Disposal Agent shall on behalf of the Issuer, so far as is practicable in the circumstances and to the extent that the relevant Collateral is outstanding (subject to paragraph (iii) below) effect a Liquidation of each Collateral Component commencing on the Liquidation Commencement Date with a view to Liquidating all of the Collateral Components on or prior to the Early Valuation Date or the third Reference Business Day prior to the Relevant Payment Date, as applicable, provided that the Disposal Agent and the Issuer shall have no liability if the Liquidation of all Collateral Components has not been effected by such date. If the Collateral Components have not been Liquidated in full by such date, the Disposal Agent shall continue in its attempts to effect a Liquidation of the Collateral Components until such time (if any) as it is instructed by the Issuer to the contrary or until it receives a valid Enforcement Notice from the Trustee.

(II) Where "Partial Unwind" is specified in the relevant Issue Terms, following receipt by it of a valid Liquidation Commencement Notice the Disposal Agent shall on behalf of the Issuer, so far as is practicable in the circumstances and to the extent that the relevant Collateral is outstanding (subject to paragraph (iii) below), effect a Liquidation of the Affected Collateral Component commencing on the Liquidation Commencement Date with a view to Liquidating all of the Affected Collateral Component on or prior to the Early Valuation Date or the third Reference Business Day prior to the Relevant Payment Date, as applicable, provided that the Disposal Agent and the Issuer shall have no liability if the Liquidation of the Affected Collateral Component has not been effected by such date. If the Affected Collateral Component has not been Liquidated in full by such date, the Disposal Agent shall continue in its attempts to effect a Liquidation of the Affected Collateral Component until such time (if any) as it is instructed by the Issuer to the contrary or until it receives a valid Enforcement Notice from the Trustee.

(III) Where "Partial Unwind with Shortfall" is specified in the relevant Issue Terms, following receipt by it of a valid Liquidation Commencement Notice the Disposal Agent shall on behalf of the Issuer, so far as is practicable in the circumstances and to the extent that

the relevant Collateral is outstanding (subject to paragraph (iii) below) and provided that a Collateral Exhaustion Event would not occur (in which case the provisions set out in paragraph (i) above shall apply):

(A) effect a Liquidation of the Affected Collateral Component commencing on the Liquidation Commencement Date with a view to Liquidating all of the Affected Collateral Component on or prior to the Early Valuation Date or the third Reference Business Day prior to the Relevant Payment Date, as applicable, and provided that the Disposal Agent and the Issuer shall have no liability if the Liquidation of the Affected Collateral Component has not been effected by such date. If the Affected Collateral Component has not been Liquidated in full by such date, the Disposal Agent shall continue in its attempts to effect a Liquidation of the Affected Collateral Component until such time (if any) as it is instructed by the Issuer to the contrary or until it receives a valid Enforcement Notice from the Trustee; and

(B) if, following Liquidation of the Affected Collateral Component (in accordance with paragraph (A) above), the Calculation Agent determines that there is a Shortfall Amount, the Disposal Agent will Liquidate an amount of Additional Collateral (as determined in its sole discretion) from one or more Collateral Components other than the Affected Collateral Component such that the Additional Collateral Unwind Value is at least equal to the Shortfall Amount.

(iii) **Liquidation Parameters**

Where the relevant Issue Terms specify that Liquidation Parameters are applicable, for the purpose of paragraphs (i) or (ii) above:

(A) the Disposal Agent shall seek to Liquidate all of the Collateral (which, for these purposes, shall include any Affected Collateral Component or Additional Collateral) as soon as reasonably practicable, and in any event within five Business Days, following the relevant Early Redemption Commencement Date (the "**Target Liquidation Period**"); and

(B) the Disposal Agent shall request up to five Quotation Dealers to provide its all-in, firm executable bid price (a "Quotation") in the Base Currency to purchase the Collateral on a day within the Target Liquidation Period, and it shall sell the Collateral on such a date to the Quotation Dealer who provides the highest Quotation, save that where no Quotations are obtained, the Disposal Agent shall determine the value of the Collateral,

and, for the avoidance of doubt, where the Target Liquidation Period and/or the number of Quotations to be obtained differ from those specified above, the relevant Liquidation Parameters shall be set out in the relevant Issue Terms.

The Disposal Agent may take such steps as it considers appropriate in order to effect any such Liquidations, including but not limited to selecting the method of Liquidating any Collateral. The Disposal Agent must effect any Liquidation as soon as reasonably practicable within the available timeframe, even where a larger amount could possibly be received in respect of such Collateral if any such Liquidation were to be delayed. Subject to such requirement, the Disposal Agent shall be entitled to effect any Liquidation by way of one or multiple transactions on a single or multiple day(s).

In accordance with the terms of the Trust Deed and Master Condition 5(d) (*Disposal Agent's right following Liquidation Event*), following the occurrence of a Liquidation Event and effective

delivery of a valid Liquidation Commencement Notice, the Security shall be released without further action on the part of the Trustee to the extent necessary for the Disposal Agent to effect the Liquidation of the Collateral. Nothing in this Additional Collateral Basket Condition 4 or Master Condition 5(d) (*Disposal Agent's right following Liquidation Event*) will operate to release the charges and other security interests over the proceeds of the Liquidation of the Collateral. The Disposal Agent shall not be liable to the Issuer, the Trustee, the Swap Counterparty, the Noteholders, the Couponholders, holders of Receipts or any other person merely because a larger amount could have been received had any such Liquidation been delayed or had the Disposal Agent selected a different method of Liquidating any such Collateral, provided that the Disposal Agent has complied with its duty to act in good faith and a commercially reasonable manner.

In determining whether or not to take any action as a result of a determination that a Liquidation Event has occurred, the Disposal Agent (i) shall have complete discretion, (ii) shall have no duty or obligation to the Issuer, any Noteholder, any Couponholder or any other person to take any such action or make any such determination and (iii) shall not be liable for any such determination or decision or the timing thereof, provided that it has acted in good faith and a commercially reasonable manner.".

## 5 Definitions

The following definitions which relate to Collateral Basket Notes should be read in conjunction with the Additional Collateral Basket Conditions:

"**Additional Collateral**" means, in respect of Collateral Basket Notes for which "Partial Unwind with Shortfall" is specified in the relevant Issue Terms, an amount of Original Collateral comprised in one or more Collateral Components that are not the Affected Collateral Component.

"**Additional Collateral Unwind Value**" means, in respect of Collateral Basket Notes for which "Partial Unwind with Shortfall" is specified in the relevant Issue Terms, an amount determined by the Calculation Agent equal to:

(i) the liquidation proceeds of the Additional Collateral being Liquidated pursuant to Additional Collateral Basket Condition 3(b)(iii)(C); plus

(ii) the Shortfall Partial Swap Gain (if any); minus

(iii) the Shortfall Partial Swap Loss (if any).

"**Additional Collateral Weighting**" means, in respect of Collateral Basket Notes for which "Partial Unwind with Shortfall" is specified in the relevant Issue Terms and Additional Collateral, the part of the Weighting of the Collateral Component from which the Additional Collateral has been Liquidated that corresponds to the portion of such Additional Collateral being liquidated.

"**Affected Collateral Component**" means any Collateral Component in respect of which the Calculation Agent determines that a Collateral Event has occurred.

"**Collateral Component**" means each asset comprising the Original Collateral, as set out in the relevant Issue Terms.

"**Collateral Exhaustion Event**" has the meaning given to it in Additional Collateral Basket Condition 3(b)(iii)(C).

"**Early Cash Redemption Amount**" means, in respect of each Collateral Basket Note outstanding on the relevant Early Redemption Date, the amount specified as such in the relevant Issue Terms (or the amount determined in accordance with the formula or method for determining such amount specified therein) or, if no such amount is specified in the relevant Issue Terms:

(i) if the Notes are redeeming early as a result of an early redemption event set out in Master Condition 8 (*Redemption and Purchase*) other than pursuant to the Additional Redemption Event set out in Additional Collateral Basket Condition 3(b) (*Early Redemption Event: Early redemption following a Collateral Event*), an amount per Note equal to that Note's pro rata share of the Early Cash Redemption Amount determined by the Calculation Agent in accordance with sub-paragraph (i) of that definition contained in Master Condition 1(a) (*Definitions*) (where the relevant Issue Terms do not specify that Classes apply) or sub-paragraph (iii) (where the relevant Issue Terms specify that Classes apply); or

(ii) if the Notes are redeeming early as a result of an early redemption event pursuant to the Additional Redemption Event set out in Additional Collateral Basket Condition 3(b) (*Early Redemption Event: Early redemption following a Collateral Event*):

(I) if (x) "Full Unwind" is specified in the relevant Issue Terms or (y) "Partial Unwind with Shortfall" is specified in the relevant Issue Terms and a Collateral Exhaustion Event has occurred, an amount per Note determined by the Calculation Agent to be equal to that Note's *pro rata* share of (a) the Specified Currency Proceeds (of all outstanding Collateral Components) plus (b) any Termination Payment in respect of the Swap Agreement that is payable to the Issuer (together, if applicable, with any interest payable thereon) minus (c) any Termination Payment in respect of the Swap Agreement that is payable by the Issuer to the Swap Counterparty (together, if applicable, with any interest payable thereon); or

(II) if "Partial Unwind" is specified in the relevant Issue Terms, an amount per Note determined by the Calculation Agent to be equal to that Note's *pro rata* share of (a) the liquidation proceeds of the Affected Collateral Component plus (b) the Partial Swap Gain (if any) minus (c) the Partial Swap Loss (if any); or

(III) if "Partial Unwind with Shortfall" is specified in the relevant Issue Terms and a Collateral Exhaustion Event would not occur, an amount per Note determined by the Calculation Agent to be equal to that Note's *pro rata* share of (a) the liquidation proceeds of the Affected Collateral Component plus (b) the Partial Swap Gain (if any) minus (c) the Partial Swap Loss (if any) plus (d) the liquidation proceeds of any Additional Collateral (if any) plus (e) the Shortfall Partial Swap Gain (if any) minus (f) the Shortfall Partial Swap Loss (if any).

"**Outstanding Principal Percentage**" means, in respect of any day, the sum of the Weightings of each Collateral Component, subject to adjustment in accordance with Additional Collateral Basket Condition 3(b)(ii).

"**Partial Swap Gain**" means (i) where the Partial Swap Value would be negative (and therefore payable to the Issuer), the absolute value of the Partial Swap Value, or (ii) otherwise, zero.

"**Partial Swap Loss**" means (i) where the Partial Swap Value would be positive (and therefore payable to the Swap Counterparty), the value of the Partial Swap Value, or (ii) otherwise, zero.

"**Partial Swap Value**" means an amount determined by the Calculation Agent in the Specified Currency equal to the Early Termination Amount (as defined in the Swap Agreement) of the relevant

Swap Agreement that would be payable by the Issuer to the Swap Counterparty or by the Swap Counterparty to the Issuer under the relevant Swap Agreement upon a termination of the Swap Agreement on the Collateral Valuation Date. Such Early Termination Amount shall be determined on the basis that:

(i) the Swap Counterparty is not the Affected Party;

(ii) the Base Currency is the Specified Currency of the Notes;

(iii) the Swap Transaction is deemed to relate to (a) a nominal amount of Notes equal to the product of the original principal amount of the Notes and the Weighting of the Affected Collateral Component (adjusted to reflect any prior redemptions, purchases and/or cancellations of the Notes) and (b) the nominal amount of the Affected Collateral Component only;

(iv) the Swap Counterparty's claim to any termination amount shall be limited to the prevailing market value of the Mortgaged Property at that time that corresponds to the Affected Collateral Component; and

(v) the Calculation Agent is the Determining Party and Section 6(e)(ii)(1) of the Swap Agreement applies but without reference to Section 6(e)(ii)(3) thereof.

"**Shortfall Amount**" has the meaning given to it in Additional Collateral Basket Condition 3(b)(iii)(C).

"**Shortfall Partial Swap Gain**" means, in respect of Collateral Basket Notes for which "Partial Unwind with Shortfall" is specified in the applicable Issue Terms, (i) where the Shortfall Partial Swap Value would be negative (and therefore payable to the Issuer), the absolute value of the Shortfall Partial Swap Value, or (ii) otherwise, zero.

"**Shortfall Partial Swap Loss**" means, in respect of Collateral Basket Notes for which "Partial Unwind with Shortfall" is specified in the applicable Issue Terms, (i) where the Shortfall Partial Swap Value would be positive (and therefore payable to the Swap Counterparty), the value of the Shortfall Partial Swap Value, or (ii) otherwise, zero.

"**Shortfall Partial Swap Value**" means, in respect of Collateral Basket Notes for which "Partial Unwind with Shortfall" is specified in the applicable Issue Terms, an amount determined by the Calculation Agent in the Specified Currency equal to the Early Termination Amount (as defined in the Swap Agreement) of the relevant Swap Agreement that would be payable by the Issuer to the Swap Counterparty or by the Swap Counterparty to the Issuer under the relevant Swap Agreement upon a termination of the Swap Agreement on the Collateral Valuation Date. Such Early Termination Amount shall be determined on the basis that:

(i) the Swap Counterparty is not the Affected Party;

(ii) the Base Currency is the Specified Currency of the Notes;

(iii) the Swap Transaction is deemed to relate to (a) a nominal amount of Notes equal to the product of the Original Principal Amount of the Notes and the Additional Collateral Weighting(s) of the relevant Additional Collateral being Liquidated pursuant to Additional Collateral Basket Condition 4(b)(ii)(III) (adjusted to reflect any prior redemptions, purchases and/or cancellations of the Notes) and (b) the nominal amount of the Additional Collateral;

(iv) the Swap Counterparty's claim to any termination amount shall be limited to the prevailing market value of the Mortgaged Property at that time that corresponds to the Additional Collateral being Liquidated pursuant to Additional Collateral Basket Condition 4(b)(ii)(III); and

(v) the Calculation Agent is the Determining Party and Section 6(e)(ii)(1) of the Swap Agreement applies but without reference to Section 6(e)(ii)(3) thereof.

"**Weighting**" means, in respect of Collateral Basket Notes, the percentage weighting in respect of a Collateral Component as specified in the relevant Issue Terms or, if no Weighting is so specified, means, in respect of a Collateral Component, the weighting (expressed as a percentage) in respect of that Collateral Component obtained by dividing the nominal amount of such Collateral Component by the sum of the aggregate nominal amount of all Collateral Components; and "**Weightings**" shall be construed accordingly.

# SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM

## Initial Issue of Notes

If the Global Notes or the Global Certificates are stated in the applicable Issue Terms to be issued in NGN form or to be held under the NSS (as the case may be), the Global Notes or the Global Certificates will be delivered on or prior to the original issue date of the Tranche to a Common Safekeeper. Depositing the Global Notes or the Global Certificates with the Common Safekeeper does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue, or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.

Global Notes which are issued in CGN form and Global Certificates which are not held under the NSS may be delivered on or prior to the original issue date of the Tranche to a Common Depositary.

If the Global Note is a CGN, upon the initial deposit of a Global Note with a common depositary for Euroclear and Clearstream, Luxembourg (the "**Common Depositary**") or registration of Registered Notes in the name of any nominee for Euroclear and Clearstream, Luxembourg and delivery of the relevant Global Certificate to the Common Depositary, Euroclear or Clearstream, Luxembourg will credit each subscriber with a nominal amount of Notes equal to the nominal amount thereof for which it has subscribed and paid. If the Global Note is an NGN, the nominal amount of the Notes shall be the aggregate amount from time to time entered in the records of Euroclear or Clearstream, Luxembourg. The records of such clearing system shall be conclusive evidence of the nominal amount of Notes represented by the Global Note and a statement issued by such clearing system at any time shall be conclusive evidence of the records of the relevant clearing system at that time.

Notes that are initially deposited with the Common Depositary may also be credited to the accounts of subscribers with (if indicated in the applicable Issue Terms) other clearing systems through direct or indirect accounts with Euroclear and Clearstream, Luxembourg held by such other clearing systems. Conversely, Notes that are initially deposited with any other clearing system may similarly be credited to the accounts of subscribers with Euroclear, Clearstream, Luxembourg or other clearing systems.

## Relationship of Accountholders with Clearing Systems

Each of the persons shown in the records of Euroclear, Clearstream, Luxembourg or any other clearing system ("**Alternative Clearing System**") as the holder of a Note represented by a Global Note or a Global Certificate must look solely to Euroclear, Clearstream, Luxembourg or any 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 the underlying Registered Notes, as the case may be, and in relation to all other rights arising under the Global Notes or Global Certificates, subject to and in accordance with the respective rules and procedures of Euroclear, 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 so long as the Notes are represented by such Global Note or Global Certificate and such obligations of the Issuer will be discharged by payment to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, in respect of each amount so paid.

## Exchange

### Temporary Global Notes

Each Temporary Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date:

(i) if the applicable Issue Terms indicates that such Global Note is issued in compliance with the C Rules or in a transaction to which TEFRA is not applicable (as to which, see "*Overview of the Programme – Selling Restrictions*"), in whole, but not in part, for the Definitive Notes defined and described below; and

(ii) otherwise, in whole or in part upon certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement for interests in a Permanent Global Note or, if so provided in the applicable Issue Terms, for Definitive Notes.

### Permanent Global Notes

Each Permanent Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date in whole but not in part for Definitive Notes if the Permanent Global Note is held on behalf of Euroclear or Clearstream, Luxembourg or an Alternative Clearing System and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or in fact does so.

In the event that a Permanent Global Note is exchanged for Definitive Notes, such Definitive Notes shall be issued in Specified Denomination(s) only. A Noteholder who holds a principal amount of less than the minimum Specified Denomination will not receive a Definitive Note in respect of such holding and would need to purchase a principal amount of Notes such that it holds an amount equal to one or more Specified Denominations.

### Global Certificates

If the Issue Terms state that the Notes are to be represented by a Global Certificate on issue, the following will apply in respect of transfers of Notes held in Euroclear or Clearstream, Luxembourg or an Alternative Clearing System. These provisions will not prevent the trading of interests in the Notes within a clearing system whilst they are held on behalf of such clearing system but will limit the circumstances in which the Notes may be withdrawn from the relevant clearing system.

Transfers of the holding of Notes represented by any Global Certificate pursuant to Master Condition 3(b) (*Transfers of Registered Notes*) may only be made in part:

(i) if the Notes represented by the Global Certificate are held on behalf of Euroclear or Clearstream, Luxembourg or an Alternative Clearing System and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or in fact does so; or

(ii) with the consent of the Issuer,

provided that, in the case of the first transfer of part of a holding pursuant to paragraph (i) above, the Registered Holder has given the Registrar not less than 30 days' notice at its Specified Office of the Registered Holder's intention to effect such transfer. Where the holding of Notes represented by a Global Certificate is only transferable in its entirety, the Certificate issued to the transferee upon transfer of such holding shall be a Global Certificate. Where transfers are permitted in part,

Certificates issued to transferees shall not be Global Certificates unless the transferee so requests and certifies to the Registrar that it is, or is acting as a nominee for, Clearstream, Luxembourg, Euroclear and/or an Alternative Clearing System.

### Delivery of Notes

If the Global Note is a CGN, on or after any due date for exchange, the holder of a Global Note may surrender such Global Note to or to the order of the Issuing and Paying Agent. In exchange for any Global Note, the Issuer will (i) in the case of a Temporary Global Note exchangeable for a Permanent Global Note, deliver, or procure the delivery of, a Permanent Global Note in an aggregate nominal amount equal to that of the whole or that part of a Temporary Global Note that is being exchanged or, in the case of a subsequent exchange, endorse, or procure the endorsement of, a Permanent Global Note to reflect such exchange or (ii) in the case of a Global Note exchangeable for Definitive Notes, deliver, or procure the delivery of, an equal aggregate nominal amount of duly executed and authenticated Definitive Notes or, if the Global Note is an NGN, the Issuer will procure that details of such exchange be entered *pro rata* in the records of the relevant clearing system.

In this Base Prospectus, "**Definitive Notes**" means, in relation to any Global Note, the definitive Bearer Notes for which such Global Note may be exchanged (if appropriate, having attached to them all Coupons and Receipts in respect of interest or Instalment Amounts that have not already been paid on the Global Note and a Talon). Definitive Notes will be security printed in accordance with any applicable legal and stock exchange requirements in or substantially in the form set out in the Schedules to the Trust Deed. On exchange in full of each Permanent 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 Notes.

### Exchange Date

"Exchange Date" means, in relation to a Temporary Global Note, the first day following the expiry of 40 days after its issue date and, in relation to a Permanent Global Note, a day falling not less than 60 days after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the Specified Office of the Issuing and Paying Agent is located.

### Amendment to Conditions

The Temporary Global Notes, Permanent Global Notes and Global Certificates contain provisions that apply to the Notes that they represent, some of which modify the effect of the Master Conditions as completed by the provisions of Part A of the applicable Final Terms or completed, amended, supplemented and/or varied by the applicable Alternative Drawdown Document. The following is a summary of certain of those provisions:

### Payments

No payment falling due after the Exchange Date will be made on any Global Note unless exchange for an interest in a Permanent Global Note or for Definitive Notes is improperly withheld or refused. Payments on any Temporary Global Note issued in compliance with the D Rules before the Exchange Date will only be made against presentation of certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement. All payments in respect of Notes represented by a Global Note will be made against presentation for endorsement and, if no further payment falls to be made in respect of the Notes, surrender of that Global Note to or to the order of the Issuing and Paying Agent or such other Paying Agent as shall have been notified to the Noteholders for such purpose. If the Global Note is a CGN, 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

Notes. Master Condition 8(d) (*Redemption for taxation reasons*) and Master Condition 11(a) (*Appointment of Agents*) will apply to the Definitive Notes only. If the Global Note is an NGN or if the Global Certificate is held under the NSS, the Issuer shall procure that details of each such payment shall be entered *pro rata* in the records of the relevant clearing system and, in the case of payments of principal, the nominal amount of the Notes recorded in the records of the relevant clearing system and represented by the Global Note or the Global Certificate will be reduced accordingly. Payments under an NGN will be made to its holder. Each payment so made will discharge the Issuer's obligations in respect thereof. Any failure to make the entries in the records of the relevant clearing system shall not affect such discharge. For the purpose of any payments made in respect of a Global Note, the words "in the relevant place of presentation," shall not apply in the definition of "business day" in Master Condition 10(g) (*Non-Business Days*).

All payments in respect of Registered Notes represented by a Global Certificate will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the Clearing System Business Day immediately prior to the date for payment, where "**Clearing System Business Day**" means Monday to Friday inclusive except 25 December and 1 January.

### Prescription

Claims against the Issuer in respect of Notes that are represented by a Global Note will become void unless they are presented for payment within a period of 10 years (in the case of principal) and five years (in the case of interest) from the appropriate Relevant Date (as defined in the Conditions).

### Meetings

The holder of a Global Note or of the Notes represented by a Global Certificate shall (unless such Global Note or Global 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 Global Note shall be treated as having one vote in respect of each integral currency unit of the Specified Currency of the Notes. All holders of Registered Notes are entitled to one vote in respect of each integral currency unit of the Specified Currency of the Notes comprising such Noteholder's holding, whether or not represented by a Global Certificate.

### Cancellation

Cancellation of any Note represented by a Global Note that is required by the Conditions to be cancelled (other than upon its redemption) will be effected by a reduction in the nominal amount of the relevant Global Note.

### Purchase

Notes represented by a Global Note may only be purchased by the Issuer if they are purchased together with the rights to receive all future payments of interest and Instalment Amounts (if any) thereon.

### NGN Nominal Amount

Where the Global Note is an NGN, the Issuer shall procure that any exchange, payment, cancellation, exercise of any option or any right under the Notes, as the case may be, in addition to the circumstances set out above shall be entered in the records of the relevant clearing systems and upon any such entry being made, in respect of payments of principal, the nominal amount of the Notes represented by such Global Note shall be adjusted accordingly.

### 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 or participants 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 Certificate.

### Amendments

While any Global Note is held on behalf of, or any Global Certificate is registered in the name of any nominee for, a clearing system, for the purpose of determining whether a written resolution has been validly passed the Issuer and the Trustee shall be entitled to rely on consent or instructions given by accountholders in the clearing system with entitlements to such Global Note or Global Certificate or, where the accountholders hold any such entitlement on behalf of another person, on consent from or instruction by the person for whom such entitlement is ultimately beneficially held, whether such beneficiary holds directly with the accountholder or via one or more intermediaries and provided that, in each case, the Issuer and the Trustee have obtained commercially reasonable evidence to ascertain the validity of such holding and have taken reasonable steps to ensure that such holding does not alter following the giving of such consent or instruction and prior to the effecting of such amendment. Any resolution passed in such manner shall be binding on all Noteholders and Couponholders, even if the relevant consent or instruction proves to be defective. As used in this paragraph, "**commercially reasonable evidence**" includes any certificate or other document issued by Euroclear, Clearstream, Luxembourg or any other relevant clearing system, or issued by an accountholder of them or an intermediary in a holding chain, in relation to the holding of interests in the Notes. Any such certificate or other document shall, in the absence of manifest error, be conclusive and binding for all purposes. Any such certificate or other document may comprise any form of statement or print out of electronic records provided by the relevant clearing system (including Euroclear's EUCLID or Clearstream, Luxembourg's Creation Online system) in accordance with its usual procedures and in which the accountholder of a particular principal or nominal amount of the Notes is clearly identified together with the amount of such holding. The Issuer shall not be liable to any person by reason of having accepted as valid or not having rejected any certificate or other document to such effect purporting to be issued by any such person and subsequently found to be forged or not authentic.

### Noteholder Settlement Option

Where "Noteholder Settlement Option" is specified as being applicable in the applicable Final Terms, the person appearing as the accountholder for Euroclear or Clearstream, Luxembourg or any relevant Alternative Clearing System shall, on behalf and in accordance with the directions of each person for whom such accountholder holds Notes and by giving the appropriate notice(s) through Euroclear or Clearstream, Luxembourg or any relevant Alternative Clearing System, elect on behalf of each such person which proportion of Notes attributable to such person shall receive an Early Cash Redemption Amount and which shall receive a Physical Redemption Amount; provided that (i) only one such election can be made per Note, (ii) the aggregate holding of Notes of each person for whom an accountholder holds Notes shall be treated as separate from any other person's holding of Notes and (iii) any rounding required in determining the Early Cash Redemption Amount or Physical Redemption Amount as contemplated by the Conditions shall be determined based on each person's proportion of Notes in respect of which it has elected to receive an Early Cash Redemption Amount or Physical

Redemption Amount, as the case may be, and not on an individual Note basis or aggregated across persons.

### Notices

So long as any Notes are represented by a Global Note and such Global Note is held on behalf of a clearing system, notices to the holders of 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, except that 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.

# CREST CLEARING ARRANGEMENTS

The Notes will be cleared through the clearing system(s) specified in the relevant Issue Terms in accordance with the rules and procedures of the relevant clearing system. The International Securities Identification Number (ISIN) and any Common Code and/or other applicable clearing system identification numbers will be specified in the relevant Issue Terms.

## Settlement and CREST

If specified in the relevant Issue Terms, investors may hold indirect interests in the Notes (such Notes being "**Underlying Notes**") through the system for the paperless settlement of trades and the holding of uncertificated securities operated by Euroclear UK & Ireland Limited or any successor thereto in accordance with the United Kingdom Uncertificated Securities Regulations 2001) ("**CREST**") by holding dematerialised depository interests ("**CREST Depository Interests**" or "**CDIs**").

CDIs are independent securities constituted under English law issued, held, settled and transferred through CREST. CDIs are issued by CREST Depository Limited or any successor thereto (the "**CREST Depository**") pursuant to a global deed poll dated 25 June 2001 (in the form contained in Chapter 3 of the CREST International Manual (which forms part of the CREST Manual)) (as subsequently modified, supplemented and/or restated) (the "**CREST Deed Poll**"). CDIs are issued by the CREST Depository and held through CREST in dematerialised uncertificated form in accordance with the CREST Deed Poll. CDIs in respect of Underlying Notes will be constituted, issued to investors and transferred pursuant to the terms of the CREST Deed Poll.

CDIs represent indirect interests in the Underlying Notes to which they relate and holders of CDIs will not be the legal owners of the Underlying Notes. Application may be made for such Underlying Notes to be "listed on a recognised stock exchange" within the meaning of section 1005 of the Income Tax Act 2007 with the aim of ensuring that those Underlying Notes are of the same class in the Issuer as securities which are so listed for the purposes of Paragraphs 2(d)(i) and (3) of the Stamp Duty Reserve Tax (UK Depositary Interests in Foreign Securities) Regulations 1999 (SI 1999/2383) and hence that the CDIs are exempt from United Kingdom Stamp Duty Reserve Tax so long as such Underlying Notes are not registered in a register located, kept or maintained in the United Kingdom by or on behalf of the Issuer and certain other conditions are met.

The Issuer will issue Underlying Notes with the intention that indirect interests in such Underlying Notes be held through CDIs. In order to enable the settlement of indirect interest in the relevant Underlying Notes within CREST, investors will need to hold such indirect interests via CDIs. The CDIs will not be offered to the public or admitted to trading on a regulated market.

Following the delivery of the Underlying Notes into a relevant clearing system permitted in the CREST Manual, indirect interests in Underlying Notes may be delivered, held and settled in CREST by means of the creation of dematerialised CDIs representing indirect interests in the relevant Underlying Notes. For Underlying Notes which are cleared through Euroclear and Clearstream Luxembourg, interests in the Underlying Notes will be credited to the Euroclear account of CREST International Nominee Limited (the "**CREST Nominee**" and the CREST Nominee will hold such interests as nominee for CREST Depositary Limited (the "**CREST Depository**") which will issue CDIs to the relevant CREST participants. The CDIs will therefore consist of indirect rights of a CDI holder in, or relating to, the Underlying Notes which are held (through the CREST Nominee) on trust for the benefit of the CDI holder by the CREST Depository and will constitute a record acknowledging that the CREST Nominee holds the Underlying Notes as nominee on behalf of the CREST Depository. The CDIs will be issued

once the relevant Underlying Notes are credited to the CREST Nominee's account. It is intended that CDIs will be issued to the relevant CREST participants on or around the Issue Date of the relevant Underlying Notes. However, CDIs may be created at any time following the credit of relevant Underlying Notes to the CREST Nominee's account with Euroclear.

Each CDI will be treated as one Underlying Note, for the purposes of determining all rights and obligations and all amounts payable in respect thereof. The CREST Depository will pass on to holders of CDIs any interest or other amounts received by it as holder of the Underlying Notes on trust for such CDI holder. Therefore, the holders of CDIs are entitled to the proceeds from the Underlying Notes. If a matter arises that requires a vote of Noteholders, the Issuer may, with the prior written consent of the Trustee or with the sanction of an Extraordinary Resolution, make arrangements to permit the holders of CDIs to instruct the CREST Depository to exercise the voting rights of the CREST Nominee in respect of the Underlying Notes. However, there is no guarantee that it will be possible to put such voting arrangements in place for holders of CDIs.

Transfers of interests in Underlying Notes by the CREST Nominee to a participant of the relevant clearing system will be effected by cancellation of the CDIs and transfer of an interest in such Underlying Notes underlying the CDIs to the account of the relevant participant with the relevant clearing system. It is expected that the CDIs will have the same securities identification number as the ISIN of the Underlying Notes and will not require a separate listing on a recognised stock exchange.

The rights of the holders of CDIs will be governed by the arrangements between CREST and the relevant clearing system, including the CREST Deed Poll executed by the CREST Depository. These rights may be different from those of holders of Notes which are not represented by CDIs.

The attention of investors in CDIs is drawn to the terms of the CREST Deed Poll, the CREST Manual and the CREST Rules, copies of which are available from Euroclear UK & Ireland Limited at 33 Cannon Street, London EC4M 5SB or by calling +442078490000 or from the Euroclear UK & Ireland Limited website at www.euroclear.com.

# USE OF PROCEEDS

The net proceeds of an issue of a Series of Notes will be applied by the Issuer to purchase the Collateral applicable to such Series and/or enter into the Transaction Documents and/or to fund any initial payment obligations under any related Swap Agreement and/or in meeting certain expenses and fees payable in connection with the operations of the Issuer and the issue of any Notes.

# DESCRIPTION OF THE ISSUER

## General

The Issuer was incorporated in Ireland as a public limited company on 6 November 2013, with registration number 535011 under the Companies Acts 1963-2012 with the name Custom Markets Securities 2 plc. The Issuer changed its name to Argentum Securities Ireland plc on 25 October 2019.

The registered office of the Issuer is at Block A, George's Quay Plaza, George's Quay, Dublin 2, Ireland. The telephone number of the Issuer is + 353 1 963 1030. The authorised share capital of the Issuer is EUR 100,000,000 divided into 100,000,000 Ordinary Shares of EUR 1 each ("**Shares**"). The Issuer has issued 38,100 Shares all of which are fully paid. The issued Shares are held directly or indirectly by Registered Shareholder Services No.2 Company Limited by Guarantee (formerly Medb Charitable Trust Limited), Registered Shareholder Services No.3 Company Limited by Guarantee (formerly Badb Charitable Trust Limited) and Registered Shareholder Services No.1 Company Limited by Guarantee (formerly Eurydice Charitable Trust Limited), (each a "**Share Trustee**", and together, the "**Share Trustees**"), under the terms of a declaration of trust (each a "**Declaration of Trust**" and together the "**Declarations of Trust**") dated 12 November 2013. Under the terms of the Declarations of Trust, each Share Trustee has, inter alia, undertaken not to exercise its voting rights to wind up the Issuer unless and until it has received written confirmation from the Directors of the Issuer that the Issuer does not intend to carry on further business. No other measures are in place to ensure that the control by the Share Trustees over the Issuer is not abused. Each Share Trustee has no beneficial interest in and derives no benefit (other than any fees for acting as Share Trustee) from the holding of the Shares. Each Share Trustee will apply any income derived from the Issuer solely for charitable purposes.

The Issuer has been established as a special purpose vehicle. The principal activities of the Issuer are the issuance of financial instruments, the acquisition of financial assets and the entering into of other legally binding arrangements.

## Directors and Company Secretary

The Directors of the Issuer are as follows:

**Carmel Naughton**

**Bronagh Hardiman**

The business address of Carmel Naughton is Block A, George's Quay Plaza, George's Quay, Dublin 2, Ireland and the business address of Bronagh Hardiman is Block A, George's Quay Plaza, George's Quay, Dublin 2, Ireland.

The Company Secretary is Vistra Alternative Investments (Ireland) Limited.

Vistra Alternative Investments (Ireland) Limited is the administrator of the Issuer. Its duties include the provision of certain administrative, accounting and related services. The appointment of the administrator may be terminated forthwith if the administrator commits any material breach of the corporate service agreement between the Issuer and the administrator, is unable to pay its debts as they fall due or becomes subject to insolvency or other related proceedings. The administrator may retire upon 90 days' written notice subject to the appointment of an alternative administrator on similar terms to the existing administrator. The business address of the administrator is Block A, George's Quay Plaza, George's Quay, Dublin 2, Ireland.

**Carmel Naughton and Bronagh Hardiman are employees of the Corporate Services Provider.**

**Financial Statements**

The auditors of the Issuer are Deloitte & Touche of Deloitte & Touche House, Earlsfort Terrace, Dublin 2. The auditors are chartered accountants and are members of the Institute of Chartered Accountants in Ireland (ICAI) and are qualified to practise as auditors in Ireland.

In relation to the latest financial statements, please see the link to the 31 December 2018 financial statements: https://argentumsecuritiesireland.ie/docs/financial-statements/20200227-argentum-fs-ye-2018-searchable_p84755.pdf

## Special Purpose Vehicle

The Issuer's sole business is the raising of money by issuing Notes or entering into certain other obligations, in each case for the purposes of purchasing assets and entering into related derivatives and other contracts. The Issuer has covenanted (amongst other things) not, as long as any Note is outstanding, without the consent of the Trustee and the Swap Counterparty, and except as provided for or contemplated in the Conditions or any Transaction Document, to engage in any business other than the issuance or entry into of instruments to or with investors, the entry into of related agreements and transactions, the acquisition and holding of related assets and the performing of acts incidental thereto or necessary in connection therewith, provided that any instruments issued to or entered into with investors are secured on, or otherwise limited in recourse to, specified assets of the Issuer other than the Issuer's share capital, any fees paid to the Issuer (for its own account) in connection with any such instruments and any assets securing, or to which recourse is otherwise limited in respect of, any series of other instruments (other than Equivalent Obligations) and contain provisions that limit the recourse of any holder of any such instruments to assets other than the Issuer's share capital, any fees paid to the Issuer in connection with any such instruments and assets to which any series of other instruments (other than Equivalent Obligations) have recourse. In addition, the Issuer will be subject to certain other restrictions including that it will not, without the consent of the Trustee and the Swap Counterparty, declare any dividends, have any subsidiaries or employees, purchase, own, lease or otherwise acquire any real property, consolidate or merge with any other person, convey or transfer its assets substantially as an entity to any person (other than as contemplated by the Conditions) or issue any shares.

# DESCRIPTION OF THE SWAP COUNTERPARTY

*The information set out below has been obtained from Credit Suisse International. Such information has been accurately reproduced and, as far as the Issuer is aware and able to ascertain from information published by Credit Suisse International, no facts have been omitted that would render the reproduced information inaccurate or misleading.*

Unless specified to the contrary in an applicable Alternative Drawdown Document, the Swap Counterparty for a Series of Notes will be Credit Suisse International.

Credit Suisse International (the "**Swap Counterparty**") was incorporated in England and Wales under the Companies Act 1985, on 9 May 1990, with registered no. 2500199 and was re-registered as an unlimited company under the name "Credit Suisse Financial Products" on 6 July 1990 and was renamed Credit Suisse First Boston International on 27 March 2000 and Credit Suisse International on 16 January 2006. Its registered office and principal place of business is at One Cabot Square, London E14 4QJ, telephone number +44 (0)20 7888 8888.

The Swap Counterparty is a bank domiciled in England established under English law and is authorised by the Prudential Regulation Authority (the "**PRA**") and regulated by the Financial Conduct Authority and the PRA.

The Swap Counterparty is an unlimited company and, as such, its shareholders have a joint, several and unlimited obligation to meet any insufficiency in the assets of the Swap Counterparty in the event of its liquidation. The joint, several and unlimited liability of the shareholders of the Swap Counterparty to meet any insufficiency in the assets of the Swap Counterparty will only apply upon liquidation of the Swap Counterparty. Therefore, prior to any liquidation of the Swap Counterparty, the creditors may only have recourse to the assets of the Swap Counterparty and not to those of its shareholders. The Swap Counterparty has securities admitted to trading on regulated markets including the Regulated Market of Euronext Dublin.

The Swap Counterparty commenced business on 16 July 1990. Its principal business is banking, including the trading of derivative products linked to interest rates, foreign exchange, equities, commodities and credit. The primary objective of the Swap Counterparty is to provide comprehensive treasury and risk management derivative product services. The Swap Counterparty has established a significant presence in global derivative markets through offering a full range of derivative products and continues to develop new products in response to the needs of its customers and changes in underlying markets. This business is managed as a part of the Global Markets and Investment Banking and Capital Markets Divisions of Credit Suisse AG.

The liquidity and capital requirements of the Swap Counterparty are managed as an integral part of the wider Credit Suisse group framework. This includes the local regulatory, liquidity and capital requirements in the United Kingdom.

## ORIGINAL COLLATERAL

Notes to be admitted to the Official List and to trading on the Regulated Market may only be issued under this Base Prospectus by way of Final Terms for the purposes of Article 8 of the Prospectus Regulation where the Original Collateral is collateral having the following characteristics ("**CS Original Collateral**"):

| | |
|---|---|
| Issuer of CS Original Collateral: | Credit Suisse International (as described under the section of this Base Prospectus entitled "*Description of the Swap Counterparty*") |
| Status: | Senior, unsecured |
| Legal Nature: | Bonds |
| Governing law: | English law |
| Other: | Admitted to trading on a regulated market or equivalent market |

In all other cases, the Original Collateral in respect of a Series of Notes will be as specified in the applicable Alternative Drawdown Document.

# THE SWAP AGREEMENT

*The following applies only in relation to Notes in connection with which there is a Swap Agreement in respect of which Credit Suisse International is the Swap Counterparty. If in respect of a Series where Credit Suisse International is not the Swap Counterparty, the applicable Alternative Drawdown Document will specify which Swap Agreement applies.*

## General

In connection with the issue of the Notes, the Issuer may enter into an ISDA 2002 ISDA Master Agreement together with a Schedule thereto (the "**ISDA Master Agreement**") with a counterparty (the "**Swap Counterparty**") and may also enter into a credit support annex to the Schedule to the ISDA Master Agreement in the form of the Credit Support Annex (Bilateral Form – Transfer) (the "**Credit Support Annex**"). The Credit Support Annex (if any) will supplement, form part of, and be subject to, the ISDA Master Agreement and will form part of the Schedule thereto (the ISDA Master Agreement as supplemented by the Credit Support Annex (if any) the "**Master Agreement**"). For the purposes of the ISDA Master Agreement, the credit support arrangements set out in the Credit Support Annex (if any) will constitute a transaction for the purposes of the ISDA Master Agreement (for which purposes the Credit Support Annex will constitute the confirmation). In connection with the issue of a Series of Notes, the Issuer may enter into a transaction under the ISDA Master Agreement (the "**Swap Transaction**", and the confirmation evidencing such transaction together with the Master Agreement, the "**Swap Agreement**"). Any Swap Agreement will be governed by the laws of England and Wales.

Except as provided in the Trust Deed, the terms of a Swap Agreement may not be amended without the consent of the Trustee and, in respect of a material change only, the Noteholders themselves. The Trustee can agree, without the consent of the Noteholders, to any modification which is, in its opinion, of a formal, minor or technical nature or to correct a manifest error. The Trustee may (subject to limits set out in the Trust Deed) also agree to any modification that is in its opinion not materially prejudicial to the interests of the Noteholders.

Set out below are summaries of certain provisions of the Swap Agreement (and should be construed as such) that will be applicable if the Swap Counterparty is Credit Suisse International.

## Payments

The Swap Agreement sets out certain payments to be made from the Issuer to the Swap Counterparty and vice versa. Payments by the Issuer under the Swap Agreement will be limited recourse obligations and will be funded from sums received (i) on the issue of the relevant Notes and/or (ii) in respect of the Collateral (if any) relating to such Notes.

The payments required between the Issuer and the Swap Counterparty under the Swap Agreement are designed to ensure that following the making of such payments the Issuer will have such funds, when taken together with remaining amounts available to it from the issue of the relevant Notes and/or received in respect of the Collateral (if any) relating to such Notes, as are necessary for it to meet its obligations under such Notes and the related Transaction Documents. Such obligations may include, without limitation, its obligation:

(i) to pay the purchase price for the Collateral (if any) relating to the relevant Series of Notes; and/or

(ii) to make payments of any Interest Amount (or any other amount payable by it by way of interest), Instalment Amount and Final Redemption Amount.

The exact payments due under the Swap Agreement for a particular Series will vary from Series to Series depending on the terms of the relevant Series. The exact payments will be agreed between the Issuer and the Swap Counterparty at the time of entry into of the relevant Swap Agreement. There is no restriction upon the payments that may be agreed. In addition, Collateral may be transferable to or from the Issuer under the Credit Support Annex. As with respect to payments under the Swap Agreement, the provisions of the Credit Support Annex will be agreed between the Issuer and the Swap Counterparty at the time of entry into of the relevant Swap Agreement. There is no restriction upon the provisions that may be agreed under the Credit Support Annex.

## Events of Default

The Swap Agreement provides for certain "Events of Default" (as defined in the Swap Agreement) relating to the Issuer and the Swap Counterparty, the occurrence of which may lead to a termination of the Swap Agreement.

The Events of Default which relate to the Issuer are limited to:

(i) failure by the Issuer to make, when due, any payment or delivery under the Swap Agreement required to be made by it if not remedied within the time period specified therein;

(ii) certain breaches by the Issuer of its obligations under the Swap Agreement which are not following notice of such failure remedied within the time period specified therein;

(iii) the Issuer disaffirming, disclaiming, repudiating or rejecting, in whole or in part, or challenging the validity of the Swap Agreement, any relevant Confirmation or Swap Transaction;

(iv) certain representations made by the Issuer in the Swap Agreement proving to be incorrect or misleading in any material respect when made or repeated;

(v) certain bankruptcy events relating to the Issuer; and

(vi) the Issuer consolidating or amalgamating with, or merging with or into, or transferring all or substantially all its assets to, or reorganising, reincorporating or reconstituting into or as, another entity in circumstances where the resultant, surviving or transferee entity fails to assume all the obligations of the Issuer under the Swap Agreement.

The Events of Default which relate to the Swap Counterparty are limited to:

(i) failure by the Swap Counterparty to make, when due, any payment or delivery under the Swap Agreement required to be made by it if not remedied within the time period specified therein;

(ii) certain breaches by the Swap Counterparty of its obligations under the Swap Agreement which are not following notice of such failure remedied within the time period specified therein;

(iii) the Swap Counterparty disaffirming, disclaiming, repudiating or rejecting, in whole or in part, or challenging the validity of the Swap Agreement, any relevant Confirmation or Swap Transaction;

(iv) certain representations made by the Swap Counterparty in the Swap Agreement proving to be incorrect or misleading in any material respect when made or repeated;

(v) certain bankruptcy events relating to the Swap Counterparty; and

(vi) the Swap Counterparty consolidating or amalgamating with, or merging with or into, or transferring all or substantially all its assets to, or reorganising, reincorporating or reconstituting into or as, another entity in circumstances where the resulting, surviving or transferee entity fails to assume all the obligations of the Swap Counterparty under the Swap Agreement.

Upon the occurrence of an Event of Default under the Swap Agreement, the non-defaulting party may deliver a notice of termination designating an Early Termination Date in respect of all outstanding Swap Transactions under the Swap Agreement.

## Termination Events

The Swap Agreement provides for certain "Termination Events" (as defined in the Swap Agreement) the occurrence of any of which may lead to termination of all outstanding Swap Transactions under the Swap Agreement. These include:

(i) the occurrence of certain illegality and force majeure events;

(ii) if sums paid or received under the relevant Swap Transaction(s) are subject to a withholding or a deduction on account of tax and such withholding or deduction arises as a result of a change in tax law or as a result of any action taken by a taxing authority or a court after the entry into of the relevant Swap Transaction(s);

(iii) if sums paid or received under the relevant Swap Transaction(s) are subject to a withholding or a deduction on account of tax as a result of certain merger events with respect to the Issuer or the Swap Counterparty;

(iv) the Notes being subject to an early redemption (other than where such early redemption is itself caused by a termination of the Swap Agreement);

(v) the Issuer failing to give an Early Redemption Notice to Noteholders when required to do so pursuant to the Conditions;

(vi) if sums paid or received under the relevant Swap Transaction(s) are subject to a deduction or withholding imposed pursuant to (a) an Information Reporting Regime or (b) Sections 871 or 881 of the Code;

(vii) any Transaction Document relating to the relevant Series of Notes is amended or waived without the Swap Counterparty's prior written consent, such that the Swap Counterparty would, immediately after such amendment or waiver, be required to pay more or receive less under the Swap Agreement on any following payment date than would otherwise have been the case immediately prior to such amendment or waiver; and

(viii) the rights of the Swap Counterparty are contractually subordinated to any other Secured Creditor, or the Issuer breaches certain covenants set out in the Trust Deed.

The occurrence of the events described in paragraphs (i) to (iii) above will entitle the Issuer or the Swap Counterparty, depending on who is the "Affected Party" (as such term is defined in the Swap Agreement), to terminate the Swap Agreement and the occurrence of the events described in paragraphs (iv) to (vii) above will entitle the Swap Counterparty to terminate the Swap Agreement.

## Early Termination Amount

In connection with any "Early Termination Date" (as defined in the Swap Agreement), either the Swap Counterparty or the Issuer will be required to determine the "Early Termination Amount" (as defined in the Swap Agreement) under the Swap Agreement and whether such amount is payable from the Issuer to the Swap Counterparty or vice versa. Which of the Swap Counterparty or the Issuer determines the Early Termination Amount will depend on the reason for the termination of the Swap Agreement. Where the termination is as a result of an Event of Default, it will be the non-defaulting party who makes the determination. Where the termination is as a result of a Termination Event, the Swap Agreement will specify for each event which of the parties will make such determination (or, in certain circumstances, that both parties will make such determination).

The Early Termination Amount is calculated by reference to the costs that would be incurred by the party making the calculation in replacing (or providing the economic equivalent of) the rights and obligations that have been terminated, or the gain that would be made in so doing (referred to in the Swap Agreement as the "**Close-out Amount**") and taking into account the value of any collateral posted between the parties pursuant to any Credit Support Annex to the Swap Agreement.

Under the Agency Agreement, where the Issuer is the party required to make the calculation of the Close-out Amount, the Calculation Agent has agreed to make the requisite calculation on behalf of the Issuer. If a Calculation Agent Bankruptcy Event occurs in such circumstances, there may be a delay in the determination of the Close-out Amount (and, as a result, in the payment of the Early Termination Amount) pending appointment of a replacement Calculation Agent as provided in the Conditions.

The termination currency in respect of a Swap Agreement will be the currency in which the relevant Series to which such Swap Agreement relates is denominated.

## Sanctions

Upon the occurrence of a Sanctions Event, all obligations will be suspended under the Swap Agreement until the Sanctions Event End Date.

## SECURITY ARRANGEMENTS

The Security may include a fixed charge over the Collateral which may be held by or through the Custodian through Euroclear and/or Clearstream, Luxembourg and/or an alternative clearing system (each, a "**clearing system**"). The charge is intended to create a property interest in the Collateral in favour of the Trustee to secure the Issuer's liabilities. However, where the Collateral is held through a clearing system, neither the Issuer nor the Custodian is the legal owner of the physical collateral itself but instead they merely have interests in that physical collateral. As between the Issuer and the Custodian, such interests arise from the Agency Agreement. In turn, the Custodian will have rights either against an intermediary or against the relevant clearing system as an accountholder in that clearing system; the clearing system will have rights against the common depositary and the common depositary will have rights against the issuer of the Collateral. As a result, where Collateral is held by or through the Custodian through a clearing system, the Security will take the form of an assignment of the Issuer's rights against the Custodian under the Agency Agreement, rather than a charge over the Collateral itself.

# TAXATION

The tax legislation of the investor's Member State and of the Issuer's country of incorporation may have an impact on the income received from the Notes. Prospective investors should consult their professional advisers on the possible tax consequences of buying, holding or selling any Notes under the laws of their country of citizenship, residence or domicile.

Prospective investors should read "*FATCA and the possibility of U.S. withholding tax on payments*" herein for a discussion of the potential of withholding taxes imposed in connection with FATCA.

## Irish Tax Considerations

The following is a summary of certain Irish tax consequences of the purchase, ownership and disposition of the Notes. The summary does not purport to be a comprehensive description of all of the tax considerations that may be relevant to a decision to purchase, own or dispose of the Notes. The summary relates only to the position of persons who are the absolute beneficial owners of the Notes and may not apply to certain other classes of persons such as dealers in securities.

The summary is based upon Irish tax laws and the practice of the Irish Revenue Commissioners as in effect on the date of this Offering Circular, which are subject to prospective or retroactive change. The summary does not constitute tax or legal advice and the comments below are of a general nature only. Prospective investors in the Notes should consult their own advisors as to the Irish or other tax consequences of the purchase, beneficial ownership and disposition of the Notes including, in particular, the effect of any state or local tax laws.

### Income Tax

In general, persons who are resident in Ireland are liable to Irish taxation on their world-wide income whereas persons who are not resident in Ireland are only liable to Irish taxation on their Irish source income. All persons are under a statutory obligation to account for Irish taxation on a self-assessment basis and there is no requirement for the Irish Revenue Commissioners to issue or raise an assessment.

A Note issued by the Issuer may be regarded as property situate in Ireland (and hence Irish source income) on the grounds that a debt is deemed to be situate where the debtor resides. However, the interest earned on such Notes is exempt from income tax if paid to a person who is not a resident of Ireland and who for the purposes of Section 198 of the Taxes Consolidation Act 1997 (as amended) ("**TCA**") is regarded as being a resident of a relevant territory. A relevant territory for this purpose is a Member State of the European Communities (other than Ireland) or not being such a Member State a territory with which Ireland has entered into a double tax treaty that has the force of law or, on completion of the necessary procedures, will have the force of law and such double tax treaty contains an article dealing with interest or income from debt claims. A list of the countries with which Ireland has entered into a double tax treaty is available on www.revenue.ie.

Relief from Irish income tax may also be available under other exemptions contained in Irish tax legislation or under the specific provisions of a double tax treaty between Ireland and the country of residence of the holder of the Notes.

If the above exemptions do not apply it is understood that there is a long standing unpublished practice whereby no action will be taken to pursue any liability to such Irish tax in respect of persons who are regarded as not being resident in Ireland except where such persons:

(i) are chargeable in the name of a person (including a trustee) or in the name of an agent or branch in Ireland having the management or control of the interest; or

(ii) seek to claim relief and/or repayment of tax deducted at source in respect of taxed income from Irish sources; or

(iii) are chargeable to Irish corporation tax on the income of an Irish branch or agency or to income tax on the profits of a trade carried on in Ireland to which the interest is attributable.

There can be no assurance that this practice will continue to apply.

**Withholding Taxes**

In general, withholding tax (currently at the rate of 20%) must be deducted from interest payments made by an Irish company such as the Issuer. However, Section 246 TCA ("**Section 246**") provides that this general obligation to withhold tax does not apply in respect of, *inter alia*, interest payments made by the Issuer to a person, who by virtue of the law of the relevant territory, is resident for the purposes of tax in a relevant territory (see above for details). This exemption does not apply if the interest is paid to a company in connection with a trade or business which is carried on in Ireland by the company through a branch or agency.

Apart from Section 246, Section 64 TCA ("**Section 64**") provides for the payment of interest on a "Quoted Eurobond" without deduction of tax in certain circumstances. A Quoted Eurobond is defined in Section 64 as a security which:

(i) is issued by a company;

(ii) is quoted on a recognised stock exchange (this term is not defined but is understood to mean an exchange which is recognised in the country in which it is established such as the Euronext Dublin); and

(iii) carries a right to interest.

There is no obligation to withhold tax on Quoted Eurobonds where:

(i) the person by or through whom the payment is made is not in Ireland, or

(ii) the payment is made by or through a person in Ireland, and

  (a) the Quoted Eurobond is held in a recognised clearing system (Euroclear and Clearstream, Luxembourg have, amongst others, been designated as recognised clearing systems); or

  (b) the person who is the beneficial owner of the Quoted Eurobond and who is beneficially entitled to the interest is not resident in Ireland and has made an appropriate written declaration to this effect.

In certain circumstances, Irish encashment tax may be required to be withheld at the standard rate (currently at the rate of 20%) from interest on any Note, where such interest is collected by a person in Ireland on behalf of any holder of Notes.

**Capital Gains Tax**

A Noteholder will not be subject to Irish taxes on capital gains provided that such Noteholder is neither resident nor ordinarily resident in Ireland and such Noteholder does not have an enterprise, or an interest in an enterprise, which carries on business in Ireland through a branch or agency or a permanent representative to which or to whom the Notes are attributable.

**Capital Acquisitions Tax**

If the Notes are comprised in a gift or inheritance taken from an Irish domiciled, resident or ordinarily resident disponer or if the donee / successor is resident or ordinarily resident in Ireland, or if any of the Notes are regarded as property situate in Ireland, the donee / successor may be liable to Irish capital acquisitions tax. As a result, a donee / successor may be liable to Irish capital acquisitions tax, even though neither the disponer nor the donee / successor may be domiciled, resident or ordinarily resident in Ireland at the relevant time.

**Stamp duty**

For as long as the Issuer is a qualifying company within the meaning of Section 110 of the TCA, no Irish stamp duty will be payable on either the issue or transfer of the Notes, provided that the money raised by the issue of the Notes is used in the course of the Issuer's business.

# SUBSCRIPTION AND SALE

In the following paragraphs of this "*Subscription and Sale*" section, references to "**Notes**" should be taken to include references to "interests in Notes held through CDIs".

## Summary of Dealer Agreement

Subject to the terms and conditions contained in the dealer agreement (constituted by the execution of the Programme Deed) (the "**Dealer Agreement**"), the Notes may be sold to Credit Suisse International or any further financial institution appointed as dealer under the Dealer Agreement (together, the "**Dealers**"), who shall act as principal in relation to such sales. The Dealer Agreement also provides for Notes to be issued in Series or Tranches which are jointly and severally underwritten by two or more Dealers.

The Issuer may pay a Dealer a commission as agreed between the Issuer and a Dealer in respect of the Notes subscribed by it.

By entering into the relevant Dealer Agreement the Issuer has agreed to indemnify the Dealer against certain liabilities in connection with the offer and sale of the Notes. The Dealer Agreement may be terminated in relation to all the Dealers or any of them by the Issuer or, in relation to itself and itself only, by any Dealer, at any time on giving not less than 10 days' notice.

The Dealer may sell Notes to subsequent purchasers in individually negotiated transactions at negotiated prices, which may vary among different purchasers and which may be greater or less than the Issue Price of the Notes.

## Selling Restrictions

### United States

The Issuer is Category 2 for the purposes of Regulation S of the Securities Act, as amended ("**Regulation S**"). The Notes have not been and will not be registered under the Securities Act, and may not at any time be offered or sold within the United States or to, or for the account or benefit of, any person who is (a) a U.S. person (as defined in Regulation S), (b) not a Non-United States person (as defined in Rule 4.7 under the U.S. Commodity Exchange Act of 1936 (the "**CEA**"), but excluding for purposes of subsection (D) thereof, the exception to the extent that it would apply to persons who are not Non-United States persons ("**Rule 4.7**")) or (c) a U.S. person (as defined in the credit risk retention regulations issued under Section 15G of the U.S. Securities Exchange Act of 1934). Terms used in this paragraph and not otherwise defined have the meanings given to them by Regulation S.

The Bearer Notes are subject to U.S. tax law requirements and may not at any time be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations (but excluding for purposes of U.S. Treas. Reg. §1.163-5(c)(2)(i)(D) (or any successor rules that are applicable for purposes of Section 4701 of the Code)), transactions that would permit resale of the Bearer Notes after the expiration of the restricted period to a person who is within the United States or its possessions or to a United States person). Terms used in this paragraph have the meanings given to them by the Code and U.S. Treasury regulations thereunder.

Each Dealer has represented and agreed that it has not offered, sold, in the case of Bearer Notes or delivered and will not at any time offer, sell or, in the case of Bearer Notes, deliver the Notes of any identifiable Tranche (i) as part of their distribution or (ii) otherwise within the United States or to, or

for the account or benefit of, any person who is (a) a U.S. person (as defined in Regulation S), (b) not a Non-United States person (as defined in Rule 4.7) or (c) a U.S. person (as defined in the credit risk retention regulations issued under Section 15G of the U.S. Securities Exchange Act of 1934), and it will have sent to each dealer to which it sells Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S), persons who are not Non-United States persons (as defined in Rule 4.7) and U.S. person (as defined in the credit risk retention regulations issued under Section 15G of the U.S. Securities Exchange Act of 1934). Terms used in this paragraph and not otherwise defined have the meanings given to them by Regulation S.

In addition, until 40 days after the commencement of the offering, an offer or sale of Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

### Public Offer Selling Restriction under the Prospectus Regulation

If the Issue Terms in respect of any Notes specifies the "Prohibition of Sales to EEA and UK Retail Investors" as "Applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Base Prospectus in relation thereto to any retail investor in the European Economic Area or in the United Kingdom. For the purposes of this provision:

(i) the expression "retail investor" means a person who is one (or more) of the following:

  (a) a retail client as defined in Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or

  (b) a customer within the meaning of Directive (EU) 2016/97 (the "**Insurance Distribution Directive**") where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID III; or

  (c) not a qualified investor as defined in Prospectus Regulation; and

(ii) the expression an "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

If the Issue Terms in respect of any Notes specify "Prohibition of Sales to EEA and UK Retail Investors" as "Not Applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, in relation to each Member State of the European Economic Area and the United Kingdom (each a "**Relevant State**") that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Issue Terms in relation thereto to the public in that Relevant State except that it may make an offer of such Notes to the public in that Relevant State:

(i) to any legal entity which is a qualified investor as defined in the Prospectus Regulation;

(ii) 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

(iii) in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Notes shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression "an offer of Notes to the public" in relation to any Notes in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes and the expression "**Prospectus Regulation**" means Regulation (EU) 2017/1129.

### United Kingdom

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

(i) 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 Financial Services and Markets Act 2000 ("**FSMA**") by the Issuer;

(ii) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of FSMA does not apply to the Issuer; and

(iii) it has complied and will comply with all applicable provisions of FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

### The Netherlands

The Notes may be offered in the Netherlands only to qualified investors as defined in the Prospectus Regulation.

Zero coupon Notes in definitive bearer form and other Notes in definitive bearer form on which interest does not become due and payable during their term but only at maturity (savings certificates or *spaarbewijzen* as defined in the Dutch Savings Certificates Act (*Wet inzake spaarbewijzen*; the "**SCA**")) may only be transferred and accepted, directly or indirectly, within, from or into the Netherlands through the mediation of either the Issuer or a member of Euronext Amsterdam N.V. with due observance of the provisions of the SCA and its implementing regulations (which include registration requirements). No such mediation is required, however, in respect of (i) the initial issue of such Notes to the first holders thereof, (ii) the transfer and acceptance by individuals who do not act in the conduct of a profession or business, and (iii) the issue and trading of such Notes if they are physically issued outside The Netherlands and are not immediately thereafter distributed in the Netherlands.

### Switzerland

The Notes may not be publicly offered, directly or indirectly, to private clients in Switzerland within the meaning of the Swiss Financial Services Act ("**FinSA**") and no application has or will be made to

admit the Notes to trading on any trading venue (exchange or multilateral trading facility) in Switzerland.

Neither this Base Prospectus nor any other offering or marketing material relating to the Notes constitutes a prospectus pursuant to the FinSA and no such prospectus has been or will be prepared for or in connection with the offering of the Notes. Neither this Base Prospectus nor any other offering or marketing material relating to the Notes may be publicly distributed or otherwise made publicly available to private clients in Switzerland.

**Ireland**

In relation to each Tranche of Notes issued by the Issuer, each Dealer has represented and agreed that:

(i) it will not underwrite the issue of, or place, the Notes otherwise than in conformity with the provisions of the European Union (Markets in Financial Instruments) Regulations 2017 (S.I. No. 375 of 2017), as amended, including, without limitation, Parts 2, 3, 4, and 7 thereof and any codes of conduct issued in connection therewith, and the provisions of the Investor Compensation Act 1998 and the Investment Intermediaries Act 1995, as amended, and they will conduct themselves in accordance with any codes and rules of conduct, conditions, requirements and any other enactment, imposed or approved by the Central Bank with respect to anything done by them in relation to the Notes;

(ii) it will not underwrite the issue of, or place, the Notes otherwise than in conformity with the provisions of the Central Bank Acts 1942-2018, as amended, including any codes of conduct rules made under Section 117(1) of the Central Bank Act 1989 (as amended) and any regulations issued pursuant to Part 8 of the Central Bank (Supervision and Enforcement) Act 2013, as amended;

(iii) it will not underwrite the issue of, or place, or do anything in respect of the Notes otherwise than in conformity with the provisions of the Prospectus Regulation, Commission Delegated Regulation (EU) 2019/980, Commission Delegated Regulation (EU) 2019/979 and any rules issued under Section 1363 of the Companies Act 2014, as amended, by the Central Bank;

(iv) it will not underwrite the issue of, or place, or do anything in respect of the Notes otherwise than in compliance with the provisions of (A) the Market Abuse Regulation (Regulation EU 596/2014); (B) the Market Abuse Directive on criminal sanctions for market abuse (Directive 2014/57/EU); (C) the European Union (Market Abuse) Regulations 2016 (S.I. No. 349 of 2016), as amended; and (D) any rules issued by the Central Bank pursuant thereto and/or under Section 1370 of the Companies Act 2014, as amended;

(v) to the extent applicable it has complied with, and it will not underwrite the issue of, or place, or do anything in respect of the Notes otherwise than in compliance with the provisions of Companies Act 2014, as amended; and

(vi) any issue of the Notes with a legal maturity of less than one year will be carried out in strict compliance with the Central Bank Acts 1942 to 2018 of Ireland (as amended); and

(vii) it will not underwrite the issue of, or place, or do anything in respect of the Notes otherwise than in compliance with the PRIIPs Regulation.

**Hong Kong**

In relation to each Tranche of Notes issued by the Issuer, the Dealer has represented and agreed that:

(i) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes except for Notes which are a "structured product" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and

(ii) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571 of Hong Kong) and any rules made under that Ordinance.

**Singapore**

This document and other related documents have not been and will not be registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of Notes may not be circulated or distributed, nor may the Notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (a) to an institutional investor (as defined in Section 4A of the Securities and Futures Act, Chapter 289 of Singapore (the "**SFA**")) under Section 274 of the SFA, (b) to a relevant person (as defined in Section 275(2) of the SFA pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA, (and where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018, or (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased, under Section 275 of the SFA by a relevant person which is:

(i) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA and the Securities and Futures (Classes of Investors) Regulations 2018)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(ii) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in the SFA) or securities-based derivatives contracts (as defined in the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

(a) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(b) where no consideration is or will be given for the transfer;

(c) where the transfer is by operation of law;

(d) as specified in Section 276(7) of the SFA; or

(e) as specified in Regulation 37A of the Securities and Futures (offer of Investments) (Securities and Securities-based Derivatives Contracts) regulations 2018.

**General**

These selling restrictions may be modified by the agreement of the Issuer and the Dealers following a change in a relevant law, regulation or directive. Any such modification will be set out in the applicable Alternative Drawdown Document issued in respect of the issue of Notes to which it relates or in a supplement to this Base Prospectus.

No representation is made that any action has been taken in any jurisdiction that would permit a public offering of any of the Notes, or possession or distribution of this Base Prospectus or any other offering material or any applicable Issue Terms, in any country or jurisdiction where action for that purpose is required.

Each Dealer has agreed 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 this Base Prospectus, any other offering material or any applicable Issue Terms and neither the Issuer nor any other Dealer shall have responsibility therefor.

# CONSIDERATIONS RELATING TO THE REGULATION AND REFORM OF BENCHMARKS

The Interbank Offered Rates (including the London Interbank Offered Rate ("**LIBOR**"), the Euro Interbank Offered Rate ("**EURIBOR**")) and other interest rate, equity, commodity, foreign exchange rate and other types of rates and indices which are deemed to be "benchmarks" are the subject of ongoing national and international regulatory reform. Following any such reforms, benchmarks may perform differently than in the past or disappear entirely, or there could be other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Notes linked to such a benchmark.

Key regulatory proposals and initiatives in this area include (amongst others) IOSCO's Principles for Financial Market Benchmarks, published in July 2013 (the "**IOSCO Benchmark Principles**"), the EU Regulation on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (the "**Benchmark Regulation**"), and the transition, proposed by the UK's Financial Conduct Authority (the "**FCA**"), away from LIBOR to one or more alternative benchmarks.

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. Subsequent implementation reviews have found that widespread efforts are being made to implement the IOSCO Benchmark Principles by the majority of administrators surveyed. However, the reviews also note that, as the "benchmarks industry" is in a state of flux, IOSCO may need to take further steps in the future - although it is not yet clear what these steps might be. On 16 December 2016, IOSCO published a report setting out guidance to improve the consistency and quality of reporting on compliance with IOSCO Benchmark Principles.

The Benchmark Regulation entered into force in June 2016 and became fully applicable in the EU on 1 January 2018 (save that certain provisions, including those related to "critical benchmarks", took effect on 30 June 2016), subject to certain transitional provisions. The Benchmark Regulation applies to the contribution of input data to a "benchmark", the provision or administration of a "benchmark" and the use of a "benchmark" in the EU. Among other things, it (a) requires EU benchmark administrators to be authorised or registered as such and to comply with extensive requirements relating to the administration of "benchmarks" and (b) prohibits certain uses by EU supervised entities of "benchmarks" provided by EU administrators which are not authorised or registered in accordance with the Benchmark Regulation (or, if located outside of the EU, deemed equivalent or recognised or endorsed).

The scope of the Benchmark Regulation is wide and, in addition to so-called "critical benchmark" indices such as EURIBOR applies to many other interest rate indices, as well as equity, commodity and foreign exchange rate indices and other indices. This will include "proprietary" indices or strategies where these are used to (i) determine the amount payable under, or the value of, certain financial instruments (including securities and OTC derivatives listed on an EU regulated market, EU multilateral trading facility (MTF), EU organised trading facility (OTF) or "traded via a systematic internaliser"), (ii) determine the amount payable under certain financial contracts, or (iii) measure the performance of an investment fund.

The Benchmark Regulation could have a material impact on Notes linked to a benchmark rate or index. For example:

(i) a rate or index which is a benchmark may not be used in certain ways by an EU supervised entity if (subject to applicable transitional provisions) its administrator does not obtain authorisation or registration (or, if a non-EU entity, does not satisfy the "equivalence" conditions and is not "recognised" pending an equivalence decision). Depending on the terms of the Notes and the applicable benchmark, if the benchmark administrator does not obtain or maintain (as applicable) such authorisation or registration (or, if a non-EU entity, "equivalence" is not available and it is not recognised), then applicable fallbacks may apply in respect of the Notes including that that they may be redeemed prior to maturity; and

(ii) 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 reduce or increase the rate or level or affect the volatility of the published rate or level, and could lead to adjustments to the terms of the Notes, including the Calculation Agent determination of the rate or level in its discretion.

In a speech in July 2017, the Chief Executive of the FCA committed the FCA to begin planning a transition away from LIBOR to alternative reference rates that are based on actual transactions, such as SONIA (the Sterling Over Night Index Average). The speech envisaged the current LIBOR arrangements continuing until at least the end of 2021. The Bank of England's Working Group on Sterling Risk-Free Reference Rates has been considering risk free rates for use as alternatives to LIBOR and has chosen a reformed Sterling Overnight Index Average ("**SONIA**"). The reforms to SONIA became effective on 23 April 2018 and it is expected that there will be a transition to SONIA over the next four years across sterling bond, loan and derivatives related markets, so that SONIA is established as the primary sterling interest rate benchmark by the end of 2021.

Ongoing international and/or national reform initiatives and the increased regulatory scrutiny of benchmarks generally could increase the costs and risks of administering or otherwise participating in the setting of a benchmark and complying with any applicable regulations or requirements. Such factors may discourage market participants from continuing to administer or contribute to benchmarks, trigger changes in the rules or methodologies used in respect of benchmarks, and/or lead to the disappearance of benchmarks, including LIBOR. This could result in (i) adjustments to the terms and conditions and/or early redemption provisions and/or provisions relating to discretionary valuation by the Calculation Agent, (ii) delisting, and/or (iii) other consequences for Notes linked to any such benchmarks. Any such consequence could have a material adverse effect on the value of and return on any such Notes

## CONSIDERATIONS RELATING TO THE RESOLUTION OF FINANCIAL INSTITUTIONS

The taking of any actions by the relevant resolution authorities under any resolution regime may adversely affect the Noteholders. Whilst the Issuer itself is unlikely to be within scope of any implementing legislation, if the obligor in respect of any Collateral (including the Original Collateral Obligor) or the Swap Counterparty is within the scope of any implementing legislation:

(i) any applicable bail-in power might be exercised in respect of the Collateral or the Swap Agreement (as the case may be) to convert any claim of the Issuer as against such person;

(ii) any applicable suspension of power might prevent the Issuer from exercising any termination rights under the Swap Agreement; or

(iii) any applicable close out power might be exercised to enforce a termination of the Swap Agreement and to value the transactions in respect of such agreements (which value may be different to the value that would have been determined by the Issuer or the Swap Counterparty (as the case may be).

The operation of resolution regimes and their application to cross-border financial institutions is complex and the resolution of any Collateral Obligor or the Swap Counterparty is likely to adversely affect the Notes in multiple and unpredictable ways. Following an exercise of any powers by a resolution authority, the Issuer may have insufficient assets or sums to meet its obligations under the Notes or any Transaction Document for that Series, the Notes may be the subject of an early redemption and any payment of redemption proceeds to Noteholders may be delayed. Each Noteholder should take such advice as it deems necessary to ensure that it understands the impact that a resolution regime may have on its investment in the Notes.

# IRISH TAX AND REGULATORY CONSIDERATIONS

## Preferred creditors and floating charges under Irish law

Under Irish law, upon the insolvency of an Irish incorporated company (such as the Issuer), when applying the proceeds of assets subject to fixed security which may have been realised in the course of a liquidation or receivership, the claims of a limited category of preferential creditors will take priority over the claims of creditors holding the relevant fixed security. These preferred claims include the remuneration, costs and expenses properly incurred by an examiner of the company (which may include any borrowing made by any examiner to fund the company's requirements for the duration of his appointment) which have been approved by the Irish courts. See "*Examinership*" below.

The holder of a fixed security over the book debts of an Irish incorporated company (which would include the money standing to the credit of the accounts of the Issuer) may be required by the Irish Revenue Commissioners, by notice in writing from the Irish Revenue Commissioners, to pay to them sums equivalent to those which the holder of the fixed security thereafter receives in payment of debts due to it by the company. Where the holder of the security has given notice to the Irish Revenue Commissioners of the creation of the security within 21 calendar days of its creation, the holder's liability is limited to the amount of certain outstanding Irish tax liabilities of the company (including liabilities in respect of value added tax) arising after the issuance of a notice by the Irish Revenue Commissioners to the holder of fixed security.

The Irish Revenue Commissioners may also attach any debt due to an Irish tax resident company by another person in order to discharge any liabilities of the company in respect of outstanding tax whether the liabilities are due on its own account or as an agent or trustee. The scope of this right of the Irish Revenue Commissioners has not yet been considered by the Irish courts and it may override the rights of holders of security (whether fixed or floating) over the debt in question.

In relation to the disposal of assets of an Irish tax resident company which are subject to security, a person entitled to the benefit of the security may be liable for tax in relation to any capital gains made by the company on a disposal of those assets on exercise of the security.

The essence of a fixed charge is that the person creating the charge does not have liberty to deal with the assets which are the subject matter of the security in the sense of disposing of such assets or expending or appropriating the moneys or claims constituting such assets and, accordingly, if and to the extent that such liberty is given to the Issuer, any security constituted by the Security Documents may operate as a floating, rather than a fixed charge.

In particular, the Irish courts have held that in order to create a fixed charge on receivables, it is necessary to oblige the chargor to pay the proceeds of collection of the receivables into a designated bank account and to prohibit the chargor from withdrawing or otherwise dealing with the moneys standing to the credit of such account without the consent of the chargee.

## Examinership

Examination is a court procedure available under the Companies Act 2014 to facilitate the survival of Irish companies in financial difficulties.

The Issuer, the directors of the Issuer, a contingent, prospective or actual creditor of the Issuer, or shareholders of the Issuer holding, at the date of presentation of the petition, not less than one-tenth of the voting share capital of the Issuer are each entitled to petition the court for the appointment of an examiner. The examiner, once appointed, has the power to set aside contracts and arrangements

entered into by the company after his appointment and, in certain circumstances, can avoid a negative pledge given by the company prior to his appointment. Furthermore, the examiner may sell assets which are the subject of a fixed charge. However, if such power is exercised, the examiner must account to the holders of the fixed charge for the amount realised and discharge the amount due to the holders of the fixed charge out of the proceeds of the sale.

During the period of protection, the examiner will formulate proposals for a compromise or scheme of arrangement to assist the survival of the company or the whole or any part of its undertaking as a going concern. A scheme of arrangement may be approved by the Irish High Court when at least one class of creditors has voted in favour of the proposals and the Irish High Court is satisfied that such proposals are fair and equitable in relation to any class of members or creditors who have not accepted the proposals and whose interests would be impaired by implementation of the scheme of arrangement.

In considering proposals by the examiner, it is likely that secured and unsecured creditors would form separate classes of creditors. In the case of the Issuer, if the Trustee represented the majority in number and value of claims within the secured creditor class, the Trustee would be in a position to reject any proposal not in favour of the Noteholders. The Trustee would also be entitled to argue at the relevant Irish court, hearing at which the proposed scheme of arrangement is considered that the proposals are unfair and inequitable in relation to the creditors of the Issuer, especially if such proposals included a writing down of the value of amounts due from the Issuer to the creditors or resulted in the creditors receiving less than they would have if the Issuer were to be wound up.

### Centre of Main Interest

Pursuant to Regulation (EU) 2015/848 on insolvency proceedings (recast) (the "**Recast Regulation**"), which came into force on 26 June 2017, the centre of main interests ("**COMI**") shall be the place where the debtor conducts the administration of its interests on a regular basis and which is ascertainable by third parties, In the case of a company or legal person, the place of the registered office shall be presumed to be the centre of main interest in the absence of proof to the contrary. That presumption shall only apply if the registered office has not been moved to another Member State within the 3-month period prior to the request for the opening of insolvency proceedings. The Issuer has its registered office in Ireland. As a result, in accordance with the Recast Regulation, there is a rebuttable presumption that its COMI is in Ireland and consequently that any main insolvency proceedings applicable to it would be governed by Irish law. In the decision by the European Court of Justice ("**ECJ**") in relation to Eurofood IFSC Limited, the ECJ restated the presumption in Council Regulation (EC) No. 1346/2000 of 29 May 2000 on Insolvency Proceedings (which the Recast Regulation replaced), that the place of a company's registered office is presumed to be the company's COMI and stated that the presumption can only be rebutted if "factors which are both objective and ascertainable by third parties enable it to be established that an actual situation exists which is different from that which locating it at the registered office is deemed to reflect". As the Issuer has its registered office in Ireland, has Irish directors, is registered for tax in Ireland and has an Irish corporate services provider, the Issuer does not believe that factors exist that would rebut this presumption, although this would ultimately be a matter for the relevant court to decide, based on the circumstances existing at the time when it was asked to make that decision. If the Issuer's COMI is not located in Ireland, and is held to be in a different jurisdiction within the European Union, main insolvency proceedings may not be opened in Ireland.

### Financial Transaction Tax

The European Commission's proposals, including a draft Directive for a financial transaction tax ("**FTT**") could negatively impact the Issuer and Noteholders if adopted. The FTT is being negotiated by certain participating EU member states (including Austria, Belgium, France, Germany, Greece, Italy, Portugal, Slovenia, Slovakia and Spain (the "**Participating Member States**"). If adopted, Participating Member States would impose the FTT as a tax primarily on "financial institutions" (which could include the Issuer) in relation to "financial transactions" (which would include the conclusion or modification of derivative contracts and the purchase and sale of financial instruments).

The FTT (if adopted) may give rise to tax liabilities for the Issuer with respect to certain transactions, such as derivative contracts in the context of the Issuer's hedging arrangements or the purchase or sale of securities (such as charged assets). Any such tax liabilities may reduce amounts available to the Issuer to meet its obligations under the Notes and may result in holders of the Notes receiving less than expected in respect of the Notes. The FTT (if adopted) could also impact the value and liquidity of the Notes as the FTT could be payable in relation to relevant transactions by investors in respect of the Notes (including secondary market transactions). Primary market transactions referred to in Article 5(c) of Regulation EC No 1287/2006 are expected to be exempt.

The FTT proposal remains subject to negotiation between the Participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU member states may decide to participate. As a result, the potential scope of the FTT and its impact on the Issuer (if adopted) remains unclear. Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT and its potential impact on their dealings in the Notes before investing.

### Action Plan on Base Erosion and Profit Shifting

A number of changes of law and practice are occurring as a result of the Organisation for Economic Co-operation and Development ("**OECD**") Base Erosion and Profit Shifting project ("**BEPS**"). One of the action points from this project ("**Action 6**") is the prevention of treaty abuse by developing model treaty provisions to prevent the granting of treaty benefits in inappropriate circumstances.

The OECD recommendations on Action 6 are primarily being implemented into double tax treaties through a multilateral convention signed by over 93 jurisdictions (including the United Kingdom and Ireland). Upon ratifying the multilateral convention the United Kingdom and Ireland, each deposited a non-provisional list of reservations and notifications to be made pursuant to it. Based on the information contained in these documents and the multilateral convention Action 6 would be implemented into the double tax treaties Ireland has entered into with the United Kingdom and other jurisdictions by the inclusion of a principal purpose test ("**PPT**").

Once in effect, a PPT would deny a treaty benefit where it is reasonable to conclude, having regard to all relevant facts and circumstances for this purpose, that obtaining that benefit was one of the principal purposes of any arrangement or transaction that resulted directly or indirectly in that benefit, unless it is established that granting that benefit in those circumstances would be in accordance with the object and purpose of the relevant provisions of the treaty. It is currently unclear how a PPT, if adopted, would be applied by either the tax authorities of those jurisdictions from which payments are made to the Issuer.

It is also possible that Ireland will negotiate other bespoke amendments to their double tax treaties on a bilateral basis in the future which may affect the ability of the Issuer to obtain the benefit of these treaties.

## EU Anti-Tax Avoidance Directive

As part of its anti-tax avoidance package, and to provide a framework for a harmonised implementation of the BEPS conclusions across the EU, the EU Council adopted Council Directive (EU) 2016/1164 ("**ATAD I**") on 12 July 2016. The EU Council adopted Council Directive (EU) 2017/952 ("**ATAD II**") on 29 May 2017 to provide for minimum standards for counteracting hybrid mismatches involving EU member states and third countries.

EU member states were required to implement ATAD I by 31 December 2018 (subject to derogations for EU member states which have equivalent measures in their domestic law). Ireland has implemented most aspects of ATAD I, though has not yet implemented to interest limitation rule. It is anticipated that the interest limitation rule will be implemented on 1 January 2021.

EU member states were required to implement ATAD II by 31 December 2019 (except for measures relating to reverse hybrid mismatches, which must be implemented by 31 December 2021) and Ireland has implemented the relevant provisions of ATAD II.

ATAD I and ATAD II contain various measures that could, depending on their implementation and application in Ireland, potentially result in certain payments made by the Issuer ceasing to be fully deductible for Irish tax purposes. There are two measures of particular relevance:

(i) first, ATAD I provides for an interest limitation rule which restricts the deductible exceeding borrowing costs of an entity to 30% of its earnings before interest, tax, depreciation and amortisation. However, the interest limitation rule only applies to the net or 'exceeding' borrowing costs of an entity (being the amount by which its borrowing costs exceed its taxable interest revenues and other economically equivalent taxable revenues). Accordingly, to the extent that the Issuer funds interest payments it makes under the Notes from interest payments to which it is entitled under Charged Assets (that is such that the Issuer pays limited or no net interest), the restriction may be of limited relevance to the Issuer even if ATAD I were implemented as originally published; and

(ii) second, ATAD II provides for hybrid mismatch rules. These rules are designed to neutralise arrangements where amounts payable between 'associated entities' are deductible from the income of one entity but are not taxable for the other or the same amounts are deductible for two associated entities. Associated for these purposes includes direct and indirect participation in terms of voting rights or capital ownership of 25 per cent. or more or an entitlement to receive 25 per cent. or more (50 per cent. in certain circumstances) of the profits of that entity, as well as entities that are part of the same consolidated group for financial accounting purposes or enterprises that have a significant influence in the management of the taxpayer.

## EU Mandatory Disclosure Regime

EU Directive 2018/822 (the "**Mandatory Disclosure Directive**") requires the disclosure of certain information regarding 'cross-border' arrangements to the taxation authorities of each EU member state and, in a redacted form, to the European Commission. The information must be reported by persons who have acted as 'intermediaries' in such transactions and, in certain cases, taxpayers themselves. An 'intermediary' for these purposes includes any person that has designed, marketed or managed the implementation of a reportable arrangement. The Mandatory Disclosure Directive was implemented in Ireland by the Finance Act 2019, though the Irish Revenue Commissioners have not yet published guidance in relation to the implementation of the Mandatory Disclosure Directive in

Ireland. As a result, it is not entirely clear if the Issuer may have any reporting obligations pursuant to the Mandatory Disclosure Directive.

Noteholders should be aware that if the Issuer is required to report to the Irish Revenue Commissioners, the information that must be reported would include the name, date of birth, tax residence, tax identification number of Noteholders and any associated enterprises. If the Issuer is required to report to the Irish Revenue Commissioners it may be subject to penalties if it fails to report a reportable arrangement or fails to provide information on a timely basis. Any such penalties may reduce amounts available to the Issuer to meet its obligations under the Notes and may result in holders of the Notes receiving less than expected in respect of the Notes.

# U.S. FEDERAL INCOME TAX AND REGULATORY CONSIDERATIONS

## FATCA and the possibility of U.S. withholding tax payments

### *Background*

A payment with respect to a Note, the Collateral (if any) or the Swap Agreement (if any) could be subject to U.S. withholding both under FATCA and as a result of being treated as a dividend equivalent payment. The maximum rate of U.S. withholding on such payment would not exceed 30 per cent.

### *Possible impact on payments on Collateral (if any) and Swap Agreement (if any)*

If the Issuer fails to comply with its obligations under FATCA (including the IGA entered into between Ireland and the United States to implement FATCA and any IGA legislation thereunder), it may be subject to FATCA Withholding on all, or a portion of, payments it receives with respect to the Original Collateral or the Swap Agreement (in each case, if any). 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 or the Swap Agreement with respect to a Series. No other funds will be available to the Issuer or any other Transaction Party to make up any such shortfall and, as a result, the Issuer may not have sufficient funds to satisfy its payment obligations to Noteholders. Additionally, if payments to the Issuer in respect of the Original Collateral are, will become or are deemed on any test date to be subject to FATCA Withholding, the Notes will be subject to early redemption (see the section of this Base Prospects entitled "*Risk Factors – Early redemption for Events of Default, tax or other reasons*"). No assurance can be given that the Issuer can or will comply with its obligations under FATCA or that the Issuer will not be subject to FATCA Withholding.

### *Possible impact on payments on the Notes*

The Issuer may be required to withhold amounts from Noteholders (including intermediaries through which such Notes are held) that are foreign financial institutions that are not compliant with, or exempt from, FATCA or Noteholders that do not provide the information, documentation or certifications required for the Issuer to comply with its obligations under FATCA. Additionally, the Issuer is also permitted to make any amendments to the Notes and the Swap Agreement (if any) as may be necessary to enable the Issuer to comply with its obligations under FATCA (including the Irish IGA and any IGA legislation thereunder) and any such amendment will be binding on the Noteholders.

Neither a Noteholder nor a beneficial owner of Notes will be entitled to any additional amounts in the event FATCA withholding tax is imposed on any payments on or with respect to the Notes. As a result, Noteholders may receive less interest or principal, as applicable, than expected. FATCA is particularly complex and its application to the Issuer, the Notes and the Noteholders is subject to change. Potential investors should consult their own tax advisors regarding how these rules may apply to their investment in the Notes.

### *Possible redemption of the Notes*

If the Issuer determines that any Noteholder, Couponholder or beneficial owner of Notes has failed to provide sufficient forms, documentation or other information in accordance with Master Condition 12(b) (*Provision of information*) such that any payment received by the Issuer may be subject to a deduction or withholding or the Issuer may suffer a fine or penalty, in each case, pursuant to an Information Reporting Regime, the Notes shall redeem early at their Early Redemption Amount (as further described in the risk factor entitled "*Early Redemption for Events of Default, tax or other reasons*").

FATCA is particularly complex and its application to the Issuer, the Notes and the Noteholders is subject to change.

### U.S. Dodd-Frank Act

Title VII of the Dodd-Frank Wall Street Reform and Consumer Protection Act, enacted 21 July 2010 ("**Dodd-Frank**"), establishes a comprehensive U.S. regulatory regime for a broad range of derivatives contracts (collectively referred to as "**covered swaps**"). Among other things, Title VII provides the U.S. Commodity Futures Trading Commission (the "**CFTC**") and the U.S. Securities and Exchange Commission (the "**SEC**") with jurisdiction and regulatory authority over many different types of derivatives that were previously traded over the counter, 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 provides for the imposition of capital and margin requirements for uncleared transactions in covered swaps, such requirements to be phased in beginning March 2017.

While Title VII provided that it was to go into effect on 16 July 2011, the SEC and CFTC have repeatedly delayed compliance with many of Title VII's requirements through exemptive orders, no-action letters or other forms of relief. While the CFTC had adopted a number of regulations under Title VII and many of the obligations under those regulations have become effective, the SEC is significantly behind the CFTC and many of its rules are not yet in effect. As Title VII's requirements go into effect, it is clear that covered swap counterparties, dealers and other major market participants, as well as commercial users of covered swaps, will experience new and/or additional regulatory requirements, compliance burdens and associated costs.

Notwithstanding the contractual restrictions that have been imposed by the Issuer in order to fall outside the scope of Dodd-Frank, there is no assurance that the Issuer's Swap Agreements would not be treated as covered swaps under Title VII, nor is there assurance that the Issuer would not be required to comply with additional regulation under the U.S. Commodity Exchange Act, as amended, including by Dodd-Frank (the "**CEA**"), as described immediately below. If the Issuer's Swap Agreements are treated as covered swaps under Title VII, the Issuer may be required to comply with additional regulation under the CEA. Moreover, the Issuer could be required to register as a commodity pool operator and to register the Issuer as a commodity pool with the CFTC (see "*U.S. Commodity Pool Regulation*" below).

Such additional regulations and/or registration requirements may result in, among other things, increased reporting and regulatory compliance obligations and also in extraordinary expenses of the Issuer thereby materially and adversely impacting a transaction's value. Any such additional registration requirements could result in one or more service providers or counterparties to the Issuer resigning, seeking to withdraw or renegotiating their relationship with the Issuer. To the extent any service providers resign, it may be difficult to replace such service providers.

Under Dodd-Frank, Swap Agreements entered into between the Issuer and a Swap Counterparty may be subject to mandatory execution, clearing and documentation requirements. Even those Swap Agreements not required to be cleared will generally be subject to initial and variation margining and documentation requirements that may require modifications to existing agreements. Any of the foregoing requirements and/or other requirements or obligations under Dodd-Frank could materially increase costs associated with the Programme and could materially and adversely affect the value of the Notes.

Investors are urged to consult their own advisors regarding the suitability of an investment in any Notes.

### U.S. Commodity Pool Regulation

The CFTC has rescinded a rule which formerly provided an exemption from registration as a "commodity pool operator" (a "**CPO**") or a "commodity trading advisor" under the CEA, in respect of certain transactions and investment vehicles involving sophisticated investors. Dodd-Frank also expanded the definition of "commodity pool" to include any form of enterprise operated for the purpose of trading in commodity interests, including swaps. It should also be noted that the definition of "swap" under Dodd-Frank is itself broad and expressly includes certain interest rate swaps, currency swaps and total return swaps. The term "commodity pool operator" has been expanded to include any person engaged in a business that is of the nature of a commodity pool or similar enterprise and in connection therewith, solicits, accepts, or receives from others, funds, securities or property for the purpose of trading in commodity interests, including any swaps. The CFTC has taken an expansive interpretation of these definitions and has expressed the view that entering into a single swap could make an entity a "commodity pool" subject to regulation under the CEA. The CFTC has also provided certain exemptive relief in respect of these matters although there is no guarantee that all or any aspects of the Programme will be able to take advantage of such relief.

As at the date of this Base Prospectus, no person has registered nor will register as a CPO of the Issuer under the CEA and the CFTC Rules thereunder. No assurance can be made that either the U.S. federal government or a U.S. regulatory body (or other authority or regulatory body) will not take further legislative or regulatory action, and the effect of such action, if any, cannot be known or predicted. Notwithstanding the contractual restrictions that have been imposed by the Issuer in order to fall outside the scope of the CEA, if the Issuer was deemed to be one or more "commodity pools", then whoever is deemed to be acting as a CPO in respect thereof would be required to register as such with the CFTC. While there remain certain limited exemptions from registration, because the wording of these regulations applies to traditional commodity pools and was not drafted with transactions such as those contemplated in relation to the Programme in mind, these exemptions may not be available to avoid registration with respect to the Issuer or other parties. In addition, if the Issuer were deemed to be a "commodity pool", it would have to comply with a number of reporting and regulatory requirements that are geared to traded commodity pools. Complying with these requirements on an ongoing basis could impose significant costs on the Issuer that may materially and adversely affect the value of the Notes. It is presently unclear how an investment vehicle such as the Issuer could comply with certain of these reporting requirements on an ongoing basis. Such registration and other requirements would also involve material ongoing costs to the Issuer. The scope of such requirements and related compliance costs is uncertain but could materially and adversely affect the value of the Notes.

### U.S. Volcker Rule

On 10 December 2013, the SEC, the CFTC and three U.S. banking regulators approved a final rule to implement the Volcker Rule. Subject to certain exceptions, the Volcker Rule prohibits sponsorship of and investment in certain "covered funds" by "banking entities", a term that includes Credit Suisse International and most internationally active banking organizations that may be Swap Counterparties. 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 a Swap Counterparty were to be deemed to be a "sponsor" of the Issuer, a Swap Counterparty could be prohibited from entering into Swap Agreements with the Issuer, which could have material adverse effects on the Notes. Alternatively, the Issuer may incur additional costs in seeking new swap counterparties in order to maintain the payment characteristics of the Notes, although there is no guarantee that it will be able to find such counterparties. Such costs could materially and adversely affect the value of and any return on the Notes. If the Issuer is considered a covered fund, the liquidity of the market for the Notes may be materially and adversely affected, since banking entities could be prohibited from, or face restrictions in, investing in the Notes. This could make it difficult or impossible for Noteholders to sell the Notes or it could materially and adversely affect their market value.

### U.S. withholding taxes on dividend equivalent payments

Under Section 871(m) of the Code and the U.S. Treasury regulations thereunder ("**Section 871(m)**"), a "dividend equivalent" payment is treated as a dividend from sources within the United States and will be subject to U.S. withholding tax at a rate of 30 per cent. when paid to a non-U.S. person. A "dividend equivalent" payment generally includes a payment (or deemed payment) that is contingent upon, or determined by reference to, the payment of a U.S.-source dividend under certain financial instruments. An instrument or agreement whose economic characteristics are sufficiently similar to those of an underlying or referenced U.S. security that pays U.S.-source dividends under tests provided in applicable U.S. Treasury regulations will generally be subject to the Section 871(m) regime (such an instrument or agreement, a "**Specified Transaction**"). The tests applicable for determining whether an instrument or agreement is a Specified Transaction will depend on the terms of the relevant instrument or agreement and the date on which the instrument or agreement is priced, or issued or entered into (the applicable date to be determined in accordance with Section 871(m)), and may be subject to redetermination in connection with certain modifications of the instrument or agreement, or upon the rebalancing of a basket of reference assets or an index referenced by the Notes.

In general, Section 871(m) will not apply to certain financial instruments issued or entered into prior to 1 January 2019 if such financial instruments are not "delta one" transactions. In addition, the Section 871(m) regulations provide certain broadly applicable exceptions to characterization as Specified Transactions, in particular for certain instruments linked to certain broad-based indices. While the Issuer's determination generally is binding on Noteholders, it is not binding on the U.S. Internal Revenue Service ("**IRS**"). The IRS may successfully argue that a Note is subject to withholding under section 871(m), notwithstanding the Issuer's determination to the contrary. Further, it is possible that U.S. withholding tax could apply to the Notes under these rules if a Noteholder enters, or has entered, into certain other transactions in respect of the underlying equity, basket or index, or the Notes. A Noteholder that enters, or has entered, into other transactions in respect of the underlying or the Notes should consult its own tax advisor regarding the application of Section 871(m) to its Notes in the context of its other transactions.

Withholding in respect of dividend equivalents may be required on any portion of a payment or deemed payment under a Specified Transaction, including, if appropriate, the payment of the purchase price, or upon the date of maturity, lapse, disposition, settlement or other resolution to a non-U.S. person. If the underlying or referenced U.S. security or securities are expected to be treated as paying dividends during the term of the Specified Transaction, withholding generally will still be required even if the Specified Transaction does not provide for payments explicitly linked to such dividends.

If the Issuer were subject to withholding under Section 871(m) in respect of payments it receives with respect to the Original Collateral (if any) or the Swap Agreement (if 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 or under the Swap Agreement (if any). No other funds would be available to the Issuer to make up any shortfall and, as a result, the Issuer would not have sufficient funds to satisfy its payment obligations to Noteholders. If the Issuer or any party acting on behalf of the Issuer determines that withholding is required on payments to Noteholders under the Notes, neither the Issuer nor any other party will be required to pay any additional amounts with respect to amounts so withheld. If withholding applies, the rate of any withholding may not be reduced even if the holder is otherwise eligible for a reduction under an applicable treaty, although Noteholders that are entitled to a lower rate of withholding under a tax treaty may be able to claim a refund for any excess amounts withheld by filing a U.S. tax return. However, Noteholders may not receive the necessary information to properly claim a refund for any withholding in excess of the applicable treaty-based amount. In addition, the IRS may not credit a holder with withholding taxes remitted in respect of its Notes for purposes of claiming a refund. Finally, a Noteholder's resident tax jurisdiction may not permit the Noteholder to take a credit for U.S. withholding taxes related to the dividend equivalent amount. Prospective investors should consult their tax advisers regarding the consequences to them of the potential application of Section 871(m) to the Notes, including their ability to claim refunds or credits in respect of amounts withheld, under an applicable tax treaty with the United States (although, for the avoidance of doubt, Noteholders will not have the ability to claim back any amounts of withholding in respect of payments received by the Issuer with respect to the Original Collateral (if any) or the Swap Agreement (if any)). Additionally, if payments to the Issuer in respect of its assets or payments to the Noteholders on the Notes are, will become, or are deemed on any relevant date to be subject to withholding under Section 871(m), the Notes would generally be subject to early redemption.

## GENERAL INFORMATION

(i) The website of the Issuer is https://www.argentumsecuritiesireland.ie/.

(ii) The Issuer has obtained all necessary consents, approvals and authorisations in connection with the update of the Programme and with the issue and performance of the Notes issued by it. The update of the Programme was authorised in the case of the Issuer by resolutions of the Board of Directors passed on or around 22 May 2020.

(iii) There has been no significant change in the financial or trading position of the Issuer, and no material adverse change in the financial position or prospects of the Issuer in each case, since 31 December 2018, being the date of its last audited financial statements.

(iv) The Issuer is not, nor has it been involved in any, governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) during the 12 months preceding the date of this Base Prospectus which may have or has had in the recent past significant effects on its financial position or profitability.

(v) Each Bearer Note having a maturity of more than one year, and any Receipt and Coupon with respect to such a Bearer Note will bear the following legend: “Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code”.

(vi) Notes have been accepted for clearance through the Euroclear and Clearstream, Luxembourg systems (which are the entities in charge of keeping the records). The Common Code, the International Securities Identification Number (ISIN) and (where applicable) the identification number for any other relevant clearing system for each Series of Notes will be set out in the applicable Issue Terms.

(vii) The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream, Luxembourg is 42 Avenue JF Kennedy, L-1855 Luxembourg. The address of any alternative clearing system will be specified in the applicable Issue Terms.

(viii) Where information in this Base Prospectus has been sourced from third parties this information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from the information published by such third parties no facts have been omitted which would render the reproduced information inaccurate or misleading. The source of third party information is identified where used. Any websites included in this Base Prospectus are for information purposes only and do not form part of this Base Prospectus and has not been scrutinised or approved by the Central Bank of Ireland.

(ix) The issue price and the amount of the relevant Notes will be determined, before filing of the applicable Issue Terms of each Tranche, based on then prevailing market conditions. The Issuer does not intend to provide any post-issuance information in relation to any issues of Notes or in relation to the Collateral.

(x) For so long as Notes may be issued pursuant to this Base Prospectus (in respect of paragraphs (i) to (viii) above and for so long as any listed Note remains outstanding, from the date of the relevant document (in respect of sub-paragraph (i)), copies of the following documents will be available in printed form free of charge, during the hours between 9.00 a.m. and 5.00 p.m. (with respect to the location of the relevant offices specified below) on any weekday (Saturdays and public holidays excepted), for inspection at the registered office of the Issuer and at the

Specified Office of the Issuing and Paying Agent and in electronic form on the website of the Issuer (https://www.argentumsecuritiesireland.ie/):

(a) the documents comprising the Principal Trust Deed (which includes the form of the Global Notes, the definitive Bearer Notes, the Global Certificate, the Certificates, the Coupons, the Receipts and the Talons);

(b) the up to date Memorandum and Articles of Association of the Issuer;

(c) a copy of this Base Prospectus together with any supplement to this Base Prospectus or further prospectus;

(d) copies of the latest annual report and accounts of the Issuer; and

(e) such other documents as may be required by the rules of any stock exchange on which any Note is at the relevant time listed.

(xi) None of the Issuer, the Swap Counterparty nor any other relevant party intends to provide post-issuance information regarding the Swap Counterparty, any Collateral Obligor, Notes to be listed on a stock exchange or, where applicable, performance of the Original Collateral or any Reference Entity.

(xii) The information on any websites referred to herein does not form part of the Base Prospectus unless that information is incorporated by reference into this Base Prospectus.

(xiii) Maples and Calder LLP is acting solely in its capacity as listing agent for the Issuer in relation to the Notes and is not itself seeking admission of the Notes to the Official List of Euronext Dublin or to trading on the regulated market of Euronext Dublin for the purposes of the Prospectus Regulation.

# APPENDIX 1 – FORM OF FINAL TERMS

**Final Terms dated [●]**

**ARGENTUM SECURITIES IRELAND PLC**

**Legal Entity Identifier (LEI): 213800D3J8RPOBZM8Z27**

**Issue of [AGGREGATE NOMINAL AMOUNT OF TRANCHE] [TITLE OF NOTES]**

**under the Structured Issuance Programme**

**PART A – CONTRACTUAL TERMS**

**[*If "Prohibition of Sales to EEA and UK Retail Investors" is specified as "Applicable"*]**

**[PROHIBITION OF SALES TO EEA AND 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 at any time to any retail investor in the European Economic Area ("**EEA**") or in the United Kingdom (the "**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); (ii) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"). Consequently, no key information document required by Regulation (EU) No 1286/2014 (the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPs Regulation.)

[**BENCHMARKS**

[Amounts payable under the Notes may be calculated by reference to [[LIBOR]/[EURIBOR]], which is provided by [specify administrator's legal name]. As at the date of these Final Terms, [specify administrator's legal name] [appears][does not appear] on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority pursuant to article 36 of the Benchmark Regulation (Regulation (EU) 2016/1011) (the "**BMR**").] (*Include where Floating Rate is Applicable*)

[As far as the Issuer is aware, [[[LIBOR]/[EURIBOR]] does not fall within the scope of the BMR by virtue of article 2 of that regulation,] / [the transitional provisions in article 51 of the BMR apply,] such that [specify administrator's legal name] is not currently required to obtain authorisation or registration (or, if located outside the European Union, recognition, endorsement or equivalence).] (*As above, include where Floating Rate is Applicable*)]

The Notes issued by the Issuer will be subject to the Master Conditions and also to the following terms (the "**Final Terms**") in relation to the Notes.

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 22 May 2020 [and the Supplemental Prospectus dated [●] [which [together] constitute[s] a base prospectus for the purposes of the Prospectus Regulation (the "**Base Prospectus**"). For the purpose of these Final Terms, references to Issue Terms in the Base Prospectus shall be read and construed as references to Final Terms in respect of the Notes. This

document constitutes the applicable Final Terms of the Notes described herein for the purposes of Article 8 of the Prospectus Regulation and must be read in conjunction with such Base Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus will be available for viewing at www.ise.ie and www.centralbank.ie for 12 months from the date of the Base Prospectus [[and] during normal business hours at [●] [and copies may be obtained from [●]]].

(*Consideration should be given as to whether a supplement to the Prospectus under Article 23 of the Prospectus Regulation might be required.*)

(*Note: Headings are for ease of reference only.*)

| **SERIES DETAILS** | | |
|---|---|---|
| 1 | Issuer: | Argentum Securities Ireland plc |
| 2 | (i) Series Number: | [●] |
| | (ii) [Tranche Number:<br>(*If fungible with an existing Series, provide details of that Series, including the date on which the Notes become fungible*)]. | [●]] |
| 3 | Specified Currency: | [●] |
| 4 | Aggregate Nominal Amount of Notes: | [●] |
| | (i) [Series: | [●]] |
| | (ii) [Tranche: | [●]] |
| 5 | Issue Price: | [●] per cent. of the Aggregate Nominal Amount |
| 6 | (i) Specified Denominations: | [●] (*Minimum of €100,000 or equivalent on the Issue Date*) |
| | (ii) Calculation Amount: | [●] |
| 7 | (i) Issue Date: | [●] |
| | (ii) Interest Commencement Date: | [Issue Date]/[●]/[Not Applicable] |
| | (iii) Initial Trade Date: | [●] |
| 8 | Maturity Date: | [*Specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year*] |
| 9 | Interest Basis: | [[●] per cent. Fixed Rate]<br>[Floating Rate]<br>[Zero Coupon]<br>[No interest shall be payable in respect of the Notes]<br>[Change of Interest Basis applies to the Notes, in respect of which see paragraph 13 below] |

| | | |
|---|---|---|
| | | (*Further particulars specified in the "Provisions Relating to Interest (if any) Payable" section below*) |
| 10 | Redemption/Payment Basis: | [Redemption at par]<br>[Redemption at Final Redemption Amount]<br>[Instalment] |
| 11 | [Date Board approval for issuance of Notes obtained: | [The issue of the Notes has been authorised by the Board on or around the Issue Date.] (*Only relevant where Board (or similar) authorisation is required for the particular Tranche of Notes*) |
| 12 | Method of distribution: | [Syndicated]/[Non-syndicated] |
| **PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE** | | |
| 13 | Change of Interest Basis: | [Applicable]/[Not Applicable]<br>(*If Applicable, insert further particulars regarding the Interest Periods for which each of Fixed and Floating Rates apply*) |
| 14 | Fixed Rate Note Provisions: | [Applicable]/[Not Applicable]<br>(*If Change of Interest Basis is Applicable, please specify the Interest Period(s) to which Fixed Rate applies*)<br>(*If Not Applicable, delete the remaining sub-paragraphs of this paragraph*) |
| | (i) Rate[(s)] of Interest: | [●] per cent. per annum [payable [annually]/[semi-annually]/[quarterly]/[monthly]/[●] in arrear] |
| | (ii) Interest Payment Date(s): | [●] in each year [adjusted in accordance with [*specify Business Day Convention and any applicable Business Centre(s) for the definition of "Business Day"*]/not adjusted] |
| | (iii) Fixed Coupon Amount[(s)]: | [●] per Calculation Amount |
| | (iv) Broken Amount(s): | [●] per Calculation Amount payable on the Interest Payment Date falling [in]/[on] [●] |
| | (v) [Interest Amount: | [●]<br>(*If not specified, "Interest Amount" will be the Fixed Coupon Amount or Broken Amount, as applicable. If this is desirable, then this sub-paragraph (v) can be deleted*)] |
| | (vi) Day Count Fraction: | [Actual/Actual]<br>[Actual/Actual – ISDA]<br>[Actual/365 (Fixed)]<br>[Actual/360]<br>[30/360]/[360/360]/[Bond Basis]<br>[30E/360]/[Eurobond Basis]<br>[30E/360 (ISDA)] |

| | | |
|---|---|---|
| | | [Actual/Actual–ICMA] |
| | (vii) [Determination Dates: | [●] in each year (*Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon. Note: only relevant where Day Count Fraction is Actual/Actual-ICMA*)] |
| 15 | Floating Rate Note Provisions: | [Applicable]/[Not Applicable]<br>(*If Change of Interest Basis is Applicable, please specify the Interest Period(s) to which Floating Rate applies*)<br>(*If Not Applicable, delete the remaining sub-paragraphs of this paragraph*)<br>(*From 1 January 2018, if the Notes are linked to a "benchmark" (as defined in the Benchmark Regulation), include a statement stating whether the benchmark is provided by an administrator included in the Article 36 register*) |
| | (i) Interest Period(s): | [●] |
| | (ii) Specified Interest Payment Dates: | [●] |
| | (iii) Interest Period Date: | [●] |
| | (iv) Manner in which the Rate(s) of Interest is/are to be determined: | ISDA Determination[, provided that the Rate of Interest for an Interest Period shall be subject to the Minimum Rate of Interest [and] [Maximum Rate of Interest] set out below] |
| | (v) Margin(s): | [[+]/[-]/[●] per cent. per annum]/[Not Applicable] |
| | (vi) Minimum Rate of Interest: | [0.00]/[[●]] per cent. per annum |
| | (vii) Maximum Rate of Interest: | [[●] per cent. per annum]/[Not Applicable] |
| | (viii) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the Calculation Agent): | [Not Applicable]/[●]<br>(*Specify relevant party only where ISDA Determination is not specified above*) |
| | (ix) [ISDA Rate:] (*only include where ISDA Determination applies*) | |
| | – Benchmark: | [LIBOR]/[EURIBOR] |
| | – Floating Rate Option: | [●] |
| | – Designated Maturity: | [●] |
| | – Reset Date: | [●] |
| | – ISDA Definitions: | [As defined in the Master Conditions] |
| | (x) Alternative Pre-nominated Reference Rate: | [●] |
| | (xi) Cut-off Date: | [As defined in the Master Conditions] |

| | | |
|---|---|---|
| | (xii) Linear Interpolation: | [Applicable in respect of the Interest Accrual Period beginning on, and including, [●] and ending on, but excluding the Interest Period Date scheduled to] fall on [●] (*Amend as required*)/[Not Applicable]<br>(*This should be Applicable where there are short or long Interest Periods*) |
| | (xiii) Day Count Fraction: | [Actual/Actual]<br>[Actual/Actual – ISDA]<br>[Actual/365 (Fixed)]<br>[Actual/360]<br>[30/360]/[360/360]/[Bond Basis]<br>[30E/360]/[Eurobond Basis]<br>[30E/360 (ISDA)]<br>[Actual/Actual–ICMA] |
| | (xiv) [Determination Dates: | [●] in each year (*Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon. Note: only relevant where Day Count Fraction is Actual/Actual-ICMA*)] |
| | (xv) Interest Determination Date: | [[●] in each year]/[Not Applicable] |
| 16 | Zero Coupon Note Provisions: | [Applicable]/[Not Applicable]<br>(*If not applicable, delete the remaining sub-paragraphs of this paragraph*) |
| | – Amount Payable: | [●] |
| 17 | Business Day Convention: | [Floating Rate Business Day Convention]/[Following Business Day Convention]/[Modified Following Business Day Convention]/[Preceding Business Day Convention] |
| 18 | Business Centre(s): | [●] |
| 19 | Default Interest: | [As per Master Condition 7(e) (*Accrual of Interest*)]/[●]/[Not Applicable] |
| **MORTGAGED PROPERTY** | | |
| 20 | Mortgaged Property: | |
| | (i) Original Collateral: | The Original Collateral shall comprise [[●] in principal amount of an issue of Credit Suisse International of [*insert description of the underlying assets*] identified below:<br>Original Collateral Obligor: Credit Suisse International<br>Address: One Cabot Square London E14 4QJ United Kingdom |

| | | |
|---|---|---|
| | | Country of Incorporation: United Kingdom<br>Nature of the Business: Financial Services<br>Listed on the following stock Exchanges/Admitted to trading on the following regulated market or equivalent third country market or SME growth market: Euronext Dublin<br>Asset:<br>ISIN: [●]<br>Maturity: [●]<br>Currency: [●]<br>Regulated Market on which admitted to trading: [●]<br>Documentation: [●] |
| | – Purchase of Original Collateral: | The Issuer will purchase the Original Collateral from [Vendor] on or around the Issue Date pursuant to [paragraph 5 (*Original Collateral Sale Provisions*) of the Issue Deed]. |
| | (ii) Swap Agreement: | [Applicable]/[Not Applicable] |
| | (iii) Swap Counterparty: | [Credit Suisse International]/[Not Applicable] |
| | (iv) Credit Support Annex: | [Applicable]/[Not Applicable] |
| | (v) Original Collateral Substitution: | [Applicable]/[Not Applicable] |
| | – New Collateral Criteria: | [●] |
| **PROVISIONS RELATING TO REDEMPTION** | | |
| 21 | Final Redemption Amount of each Note: | [[●] per Calculation Amount]/[Physical Settlement] |
| 22 | Collateral Event: | (*Include all of the following that are applicable*)<br>[Original Collateral Call]<br>[Original Collateral Default]<br>[Original Collateral Non-Call Event]<br>[Original Collateral Payment Failure]<br>[Original Collateral Conversion]<br>[Currency Redenomination Event]<br>[Not Applicable] |
| 23 | [Early Redemption Notification Period: | [As per Master Conditions][●]] |
| 24 | Regulatory Event: | [Applicable]/[Not Applicable] |
| 25 | Trigger Event: | [Applicable]/[Not Applicable] |

| | | |
|---|---|---|
| | | (*If not applicable, delete the remaining sub-paragraphs of this paragraph*) |
| | – Trigger Level: | [●] |
| 26 | Redemption by Instalments: | (*Specify Instalment Amounts and Instalment Dates relating to Notes that are redeemed by instalment*)] |
| 27 | Early Cash Redemption Amount: | [As per Master Conditions]/[●] |
| 28 | Early Redemption Settlement Method: | [Cash Settlement]/[Noteholder Settlement Option] |

**PRODUCT SUPPLEMENTS AND ADDITIONAL CONDITIONS**

| | | |
|---|---|---|
| 29 | Applicable Product Supplement: | [Not Applicable] |

**PROVISIONS RELATING TO DISPOSAL AGENT**

| | | |
|---|---|---|
| 30 | Disposal Agent: | [Applicable]/[Not Applicable]<br>(*If not applicable, delete the remaining sub-paragraphs of this paragraph. In addition, the provisions in the Conditions relating to Disposal Agent, Liquidation, Liquidate, Liquidated, Liquidating, Liquidation Commencement Notice, Liquidation Default, Liquidation Event and/or Relevant Payment Date, including, without limitation, Master Conditions 5(d) (Disposal Agent's right following Liquidation Event), 11(c) (Disposal Agent appointment, termination and replacement)), 13 (Liquidation) and 15(a) (Application of Available Proceeds or Affected Class Collateral Proceeds of Liquidation) shall not apply hereto*) |
| | (i) Disposal Agent: | [Credit Suisse International]/[*Specify name and address*] |
| | (ii) Liquidation: | As per Master Conditions |
| | – Liquidation Parameters: | [Not Applicable]/[Applicable, as per Master Conditions]/[*Specify if other*] |
| | (iii) Quotation Dealers: | [As per (*specify if specific Quotation Dealers should be used*) Master Condition 1 (*Definitions and Interpretation*)] [*Specify if other values*] |
| | (iv) Disposal Agent Fee: | [Yes]/[No]<br>(*If yes, specify fee*) |

**GENERAL PROVISIONS APPLICABLE TO THE NOTES**

| | | |
|---|---|---|
| 31 | Form of Notes: | |
| | (i) Bearer or Registered: | [**Bearer Notes**:<br>Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note] |

| | | |
|---|---|---|
| | | [Temporary Global Note exchangeable for Definitive Notes on [●] days' notice]<br>[Permanent Global Note exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note]<br>[**Registered Notes**:<br>[Certificate other than Global Certificates]<br>[Global Certificate registered in the name of a nominee for [a common depository for Euroclear and Clearstream, Luxembourg / a common safekeeper for Euroclear and Clearstream, Luxembourg] exchangeable for Certificates in the limited circumstances specified in the Global Certificate]] |
| | (ii) The Issuer intends to permit indirect interests in the Notes to be held through the CREST Depositary Interests to be issued through the CREST Depositary: | [Applicable]/[Not Applicable] |
| 32 | Applicable TEFRA exemption: | [TEFRA C]/[TEFRA D]/[TEFRA Not Applicable]<br>*(When dealing with Bearer Notes, please specify TEFRA C should apply unless instructed otherwise.)* |
| 33 | New Global Note: | [Yes]/[No] |
| 34 | Financial Centre(s): | [Not Applicable]/[[●]] |
| 35 | Reference Business Day: | [TARGET]/[TARGET Settlement Day]/[place(s)] |
| 36 | Reference Business Day Convention: | [Floating Rate Business Day Convention]/[Following Business Day Convention]/[Modified Following Business Day Convention]/[Preceding Business Day Convention] |
| 37 | Agents: | |
| | (i) Calculation Agent: | [*Insert name and Specified Office of institution*] |
| | (ii) Custodian: | [*Insert name and Specified Office of institution*] |
| | (iii) Disposal Agent: | See paragraph [29(i)] above |
| | (iv) Issuing and Paying Agent: | [*Insert name and Specified Office of institution*] |
| | (v) Additional Paying Agent(s): | [*Insert name and Specified Office of institution*] |
| | (vi) Registrar: | [*Insert name and Specified Office of institution*] |
| | (vii) [Transfer Agent(s): | [*Insert name and Specified Office of institution*]] |
| | (viii) [Listing Agent: | [*Insert name and Specified Office of institution*]] |
| 38 | Ratings Downgrade: | [Applicable][Not Applicable] |

| | | |
|---|---|---|
| | (i) Required Ratings for Standard and Poor's: | [As per Master Conditions]/[*Specify if other*] |
| | (ii) Required Ratings for Moody's: | [As per Master Conditions]/[*Specify if other*] |
| 39 | Section 871(m):<br>(*CS Legal should be consulted where applicable)* | [The Issuer has determined that the Notes (without regard to any other transactions) should not be treated as transactions that are subject to U.S. withholding tax under Section 871(m)]/[The Issuer has determined that the Notes should be treated as transactions that are subject to U.S. withholding tax under Section 871(m)] |
| 40 | Prohibition of Sales to EEA and UK Retail Investors: | [Applicable]/[Not Applicable [from [●] until [●]]<br>*((i) "Applicable" should be specified in all circumstances unless instructed otherwise, including where (a) the Notes may or clearly do constitute "packaged" products and (b) a KID will not be prepared;*<br>*(ii) subject to (i) above, "Not Applicable" should only be specified where (a) the Notes clearly do not constitute "packaged" products or (b) the Notes may or clearly do constitute "packaged" products and a KID will be prepared.)* |

**DISTRIBUTION**

| | | |
|---|---|---|
| 41 | (i) If syndicated, names of Managers: | [Not Applicable]/[*Specify name(s)*] |
| | (ii) Stabilising Manager(s) (if any): | Not Applicable |
| 42 | If non-syndicated, name of Dealer: | [Not Applicable]/[*Specify name*] |

**[RESPONSIBILITY**

[[*Insert relevant third party information*] set out in paragraph 20 has been extracted from [*specify source*]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by [*specify source*], no facts have been omitted which would render the reproduced information inaccurate or misleading. The Issuer has not conducted extensive due diligence on such information or made any enquiries as to its own possession of non-publicly available information.]]

Signed on behalf of [*NAME OF ISSUER*]:

By: .....
Duly authorised

Signed on behalf of [*NAME OF ISSUER*]:

By: .....
Duly authorised

## PART B – OTHER INFORMATION

| | | |
|---|---|---|
| 1 | **LISTING**: | |
| | Listing and admission to trading: | Application has been made to Euronext Dublin for the Notes to be admitted to the Official List of Euronext Dublin and to trading on the Regulated Market.<br>(*Final Terms will only be prepared for those Series of Notes meeting the relevant criteria and where listing is contemplated on Euronext Dublin. Where a Series of Notes is intended to be listed on another regulated market, a Series Prospectus will be prepared instead*.)<br>(*Where documenting a fungible issue, need to indicate that original Notes are already admitted to trading*.) |
| | Estimate of total expenses related to admission to trading: | [●] |
| 2 | [**INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER**:] | |
| | [*Include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement*:<br>"Save as discussed in ["*Subscription and Sale*"], so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer."]<br>(*If no conflicts have been disclosed, delete entire Section 2. If conflicts have been discussed, reference should be to the section of the relevant document where such conflicts were disclosed*.) | |
| 3 | [**REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES**:] | |
| | (i) [Reasons for the offer: | [●]<br>(*See "Use of Proceeds" wording in Base Prospectus – if reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here*.)] |
| | (ii) [Estimated net proceeds: | [●]] |
| | (iii) [Estimated total expenses: | [●]] |
| 4 | [**Fixed Rate Notes only – YIELD** | |
| | Indication of yield: | [●]<br>The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.] |
| 5 | **OPERATIONAL INFORMATION** | |
| | ISIN Code: | [●] |
| | Common Code: | [●] |

| | |
|---|---|
| Swiss Security Number: | [●] |
| [WKN: | [●]] |
| Clearing system(s) and any relevant identification number(s): | [Euroclear Bank SA/NV and Clearstream Banking, S.A.]<br>[CREST]<br>[*Specify name(s) and number(s)* [*and address(es)*]] |
| Delivery: | Delivery [against]/[free of] payment |
| [Intended to be held in a manner which would allow Eurosystem eligibility: | [Yes]/[No]<br>[Note that the designation "yes" means simply that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper, and, in the case of Registered Notes, registered in the name of a nominee of one of the ICSDs acting as common safekeeper, and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the European Central Bank being satisfied that Eurosystem eligibility criteria have been met.] (*Include this text if "yes" selected, in which case Bearer Notes must be issued in NGN form*)]<br>[Whilst the designation is specified as "no" at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper [(and registered in the name of a nominee of one of the ICSDs acting as common safekeeper)](*include this text for registered notes*). Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.] (*Include this text if "no" is selected*)] |

# APPENDIX 2 – FORM OF ISSUE TERMS OF AN ALTERNATIVE DRAWDOWN DOCUMENT

**ARGENTUM SECURITIES IRELAND PLC**

**Legal Entity Identifier (LEI): 213800D3J8RPOBZM8Z27**

**Issue of [*AGGREGATE NOMINAL AMOUNT OF TRANCHE*] [*TITLE OF NOTES*] under the Structured Issuance Programme**

**[*If "Prohibition of Sales to EEA and UK Retail Investors" is specified as "Applicable"*] [PROHIBITION OF SALES TO EEA AND 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 at any time to any retail investor in the European Economic Area ("**EEA**") or in the United Kingdom (the "**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); (ii) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"). Consequently, no key information document required by Regulation (EU) No 1286/2014 (the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPS Regulation.]

[**BENCHMARKS**

[Amounts payable under the Notes may be calculated by reference to [specify benchmark], which is provided by [specify administrator's legal name]. As at the date of these Final Terms, [specify administrator's legal name] [appears][does not appear] on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority pursuant to article 36 of the Benchmark Regulation (Regulation (EU) 2016/1011) (the "**BMR**").] (*Include where Floating Rate is Applicable*)

[As far as the Issuer is aware, [[specify benchmark] does not fall within the scope of the BMR by virtue of article 2 of that regulation,] / [the transitional provisions in article 51 of the BMR apply,] such that [specify administrator's legal name] is not currently required to obtain authorisation or registration (or, if located outside the European Union, recognition, endorsement or equivalence).] (*As above, include where Floating Rate is Applicable*)] (*Include if interest is linked to a benchmark, such as LIBOR or EURIBOR*)

The Notes issued by the Issuer will be subject to the Master Conditions and also to the following terms in relation to the Notes.

Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Issue Terms and the Base Prospectus dated 22 May 2020 and the Supplemental Base Prospectus[es] dated [●]. The Base Prospectus will be available for viewing at www.ise.ie and www.centralbank.ie for 12 months from the date of the Base Prospectus [[and] during normal business hours at [●] [and copies may be obtained from [●]]].

| **SERIES DETAILS** | | |
|---|---|---|
| 1 | Issuer: | Argentum Securities Ireland plc |
| 2 | (i) Series Number: | [●] |
| | (ii) Classes: | [Applicable][Not Applicable]<br>[This Series comprises [●] classes (each, a "**Class**" or "**Class of Notes**"). The Notes of each Class will rank *pari passu* and without any preference among themselves and each Class will rank *pari passu* and without any preference between the Classes.] (*Include if Classes are applicable*)<br>*(If Classes are applicable, populate each paragraph below with the relevant information for each Class)* |
| | (iii) [Base Currency: | [●]] (*Include if Classes with multiple Specified Currencies are applicable*) |
| | (iv) [Tranche Number: | [●]] |
| | (*If fungible with an existing Series or Class, details of that Series or Class, including the date on which the Notes become fungible*)] | |
| 3 | Specified Currency: | [●] |
| | [(i) Class: | [●]] (*Insert details for all applicable Classes*) |
| 4 | Aggregate Nominal Amount of Notes: | [●] |
| | [(i) Series: | [●]] |
| | [(ii) Class: | [●]](*Insert details for all applicable Classes*) |
| | [(iii) Tranche: | [●]] |
| 5 | Issue Price: | [●] per cent. of the Aggregate Nominal Amount |
| 6 | (i) Specified Denominations: | [●] |
| | (ii) Calculation Amount: | [●] |
| 7 | (i) Issue Date: | [●] |
| | (ii) Interest Commencement Date: | [Issue Date]/[●]/[Not Applicable] |
| | (iii) Initial Trade Date: | [●] |
| 8 | Maturity Date: | [*Specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year*] |
| 9 | Interest Basis: | [[●] per cent. Fixed Rate]<br>[Floating Rate]<br>[Zero Coupon]<br>[No interest shall be payable in respect of the Notes] |

| | | |
|---|---|---|
| | | [Change of Interest Basis applies to the Notes, in respect of which see paragraph 13 below]<br>(*Further particulars specified in the "Provisions Relating to Interest (if any) Payable" section below*) |
| 10 | Redemption/Payment Basis: | [Redemption at par]<br>[Redemption at Final Redemption Amount]<br>[Instalment] |
| 11 | [Date Board approval for issuance of Notes obtained: | [The issue of the Notes has been authorised by the Board on or around the Issue Date.] (*Only relevant where Board (or similar) authorisation is required for the particular Tranche of Notes*) |
| 12 | Method of distribution: | [Syndicated]/[Non-syndicated] |
| **PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE** | | |
| 13 | Change of Interest Basis: | [Applicable]/[Not Applicable]<br>(*If Applicable, insert further particulars regarding the Interest Periods for which each of Fixed and Floating Rates apply*) |
| 14 | Fixed Rate Note Provisions: | [Applicable][Not Applicable]<br>(*If Change of Interest Basis is Applicable, please specify the Interest Period(s) to which Fixed Rate applies*)<br>(*If Not Applicable, delete the remaining sub-paragraphs of this paragraph*) |
| | (i) Rate[(s)] of Interest: | [●] per cent. per annum [payable [annually]/[semi-annually]/[quarterly]/[monthly]/ in arrear] |
| | (ii) [Interest Commencement Date: | [●]] (*Only specify if different to the Issue Date*) |
| | (iii) Interest Payment Date(s): | [●] in each year [adjusted in accordance with [*specify Business Day Convention and any applicable Business Centre(s) for the definition of* "*Business Day*"][/not adjusted] |
| | (iv) Fixed Coupon Amount[(s)]: | [●] per Calculation Amount |
| | (v) Broken Amount(s): | [●] per Calculation Amount payable on the Interest Payment Date falling [in]/[on] [●] |
| | (vi) [Interest Amount: | [●]<br>(*If not specified,* "*Interest Amount*" *will be the Fixed Coupon Amount or Broken Amount, as applicable. If this is desirable, then this sub-paragraph (vi) can be deleted*)] |
| | (vii) Day Count Fraction: | [Actual/Actual]<br>[Actual/Actual – ISDA]<br>[Actual/365 (Fixed)] |

| | | | |
|---|---|---|---|
| | | | [Actual/360]<br>[30/360]/[360/360]/[Bond Basis]<br>[30E/360]/[Eurobond Basis]<br>[30E/360 (ISDA)]<br>[Actual/Actual-ICMA]] |
| | (viii) | [Determination Dates: | [●] in each year (*Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon. Note: only relevant where Day Count Fraction is Actual/Actual-ICMA*)] |
| 15 | Floating Rate Note Provisions: | | [Applicable]/[Not Applicable]<br>(*If Change of Interest Basis is Applicable, please specify the Interest Period(s) to which Floating Rate applies*)<br>(*If Not Applicable, delete the remaining sub-paragraphs of this paragraph*)<br>(*From 1 January 2018, if the Notes are linked to a "benchmark" (as defined in the Benchmark Regulation), include a statement stating whether the benchmark is provided by an administrator included in the Article 36 register)* |
| | (i) | Interest Period(s): | [●] |
| | (ii) | Specified Interest Payment Dates: | [●] |
| | (iii) | Interest Period Date: | [●] |
| | (iv) | Manner in which the Rate(s) of Interest is/are to be determined: | [ISDA Determination[, provided that the Rate of Interest for an Interest Period shall be subject to the [Minimum Rate of Interest] [and] [Maximum Rate of Interest] set out below]]/[*Specify if other*] |
| | (v) | Margin(s): | [[+]/[-]/[●] per cent. per annum]/[Not Applicable] |
| | (vi) | Minimum Rate of Interest: | [0.00]/[[●]] per cent. per annum |
| | (vii) | Maximum Rate of Interest: | [[●] per cent. per annum]/[Not Applicable] |
| | (viii) | Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the Calculation Agent): | [Not Applicable]/[●]<br>(*Specify relevant party only where ISDA Determination is not specified above*) |
| | (ix) | [ISDA Rate: *(only include where ISDA Determination applies)* | |
| | | – Floating Rate Option: | [●] |
| | | – Designated Maturity: | [●] |

| | | |
|---|---|---|
| | – Reset Date: | [●] |
| | – ISDA Definitions: | [As defined in the Master Conditions]/[●]] |
| | (x) Alternative Pre-nominated Reference Rate: | [●] |
| | (xi) Cut-off Date: | [As defined in the Master Conditions]/[●] |
| | (xii) Linear Interpolation: | [Applicable in respect of the Interest Accrual Period beginning on, and including, [●] and ending on, but excluding the Interest Period Date scheduled to] fall on [●] (*Amend as required*)/[Not Applicable]<br>(*This should be Applicable where there are short or long Interest Periods*) |
| | (xiii) Day Count Fraction: | [Actual/Actual]<br>[Actual/Actual – ISDA]<br>[Actual/365 (Fixed)]<br>[Actual/360]<br>[30/360]/[360/360]/[Bond Basis]<br>[30E/360]/[Eurobond Basis]<br>[30E/360 (ISDA)]<br>[Actual/Actual-ICMA] |
| | (xiv) [Determination Dates: | [●] in each year (*Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon. Note: only relevant where Day Count Fraction is Actual/Actual-ICMA*)] |
| | (xv) Interest Determination Date: | [[●] in each year]/[Not Applicable] |
| 16 | Zero Coupon Note Provisions: | [Applicable]/[Not Applicable]<br>(*If not applicable, delete the remaining sub-paragraphs of this paragraph*) |
| | – Amount Payable: | [●] |
| 17 | Business Day Convention: | [Floating Rate Business Day Convention]/[Following Business Day Convention]/[Modified Following Business Day Convention]/[Preceding Business Day Convention] |
| 18 | Business Centre(s): | [●] |
| 19 | Default Interest: | [As per Master Condition 7(e) (*Accrual of Interest*)]/[●]/[Not Applicable] |
| **MORTGAGED PROPERTY** | | |
| 20 | Mortgaged Property: | |
| | (i) Original Collateral: | The Original Collateral shall comprise [●] in principal amount of an issue of [●] of [*insert description of the underlying assets*] identified below]/[the following assets (each, a "**Collateral Component**") in the |

respective weightings (each, a "**Weighting**") specified below] (*Include where Collateral Basket Product Supplement is specified*):

| | |
|---|---|
| Original Collateral Obligor: | [●] |
| [Address: | [●] |
| Country of Incorporation: | [●] |
| Nature of the Business: | [●] |
| Listed on the following stock exchanges/Admitted to trading on the following regulated market or equivalent third country market or SME growth market: | [●]] (*Delete this item unless Notes are listed on an EEA or UK regulated market*) |
| Asset: | |
| ISIN: | [●] |
| Maturity: | [●] |
| Currency: | [●] |
| Governing Law: | [●] |
| Regulated or equivalent market on which Original Collateral is admitted to trading: | [●] |
| [Documentation] | [●] (*Delete this item unless Notes are listed on an EEA or UK regulated market*) |
| [Weighting: | [●]] (*Include where Collateral Basket Product Supplement is specified*) |

(*Include additional Collateral Components are required where Collateral Basket Product Supplement is specified*)

The Issuer is expected to purchase [the Collateral Components comprising] (*Insert where Collateral Basket Product Supplement is specified*) the Original Collateral from the Vendor on or around the Issue

| | | |
|---|---|---|
| | | Date pursuant to the securities sale provisions contained within the Issue Deed entered into between the parties on the Issue Date. |
| | (ii) Swap Agreement: | [Applicable]/[Not Applicable] |
| | (iii) Swap Counterparty: | [Credit Suisse International]/[Not Applicable] |
| | (iv) Credit Support Annex: | [Applicable]/[Not Applicable]<br>[See Schedule 1 (*Credit Support Annex*) to these Issue Terms for a description of certain elections applying in respect of the Credit Support Annex] *(If applicable, include Schedule 1 to these Issue Terms*) |
| | (v) Original Collateral Substitution: | [Applicable]/[Not Applicable] |
| | – New Collateral Criteria: | [●] |
| **PROVISIONS RELATING TO REDEMPTION** | | |
| 21 | Final Redemption Amount of each Note: | [[●] per Calculation Amount]/[Physical Settlement][As specified in the applicable Product Supplement] |
| 22 | Collateral Event: | (*Include all of the following that are applicable*)<br>[Original Collateral Call]<br>[Original Collateral Default]<br>[Original Collateral Non-Call Event]<br>[Original Collateral Payment Failure]<br>[Original Collateral Conversion]<br>[Currency Redenomination Event] |
| 23 | [Early Redemption Notification Period: | [As per Master Conditions][●]] |
| 24 | Regulatory Event: | [Applicable]/[Not Applicable] |
| 25 | Trigger Event: | [Applicable]/[Not Applicable]<br>(*If not applicable, delete the remaining sub-paragraphs of this paragraph*) |
| | – Trigger Level: | [●] |
| 26 | Redemption by Instalments: | (*Specify Instalment Amounts and Instalment Dates relating to Notes that are redeemed by instalment*)] |
| 27 | [Independent Class Early Redemption: | [Applicable: [●]] (*Specify whether applicable to specific Classes or events only*)]/[Not Applicable]](*Delete this paragraph if Classes do not apply*) |
| 28 | Early Cash Redemption Amount: | [As per Master Conditions]/[●] |
| 29 | Early Redemption Settlement Method: | [Cash Settlement]/[Noteholder Settlement Option] (*This should always be Cash Settlement where Classes are applicable*) |

| | | |
|---|---|---|
| **PRODUCT SUPPLEMENTS AND ADDITIONAL CONDITIONS** | | |
| 30 | Applicable Product Supplement: | [Not Applicable]<br>[Pass-Through Note Terms Product Supplement]<br>[CLN Conditions Product Supplement]<br>[Collateral Basket Product Supplement] |
| 31 | Pass-Through Notes: | |
| | (i) Pass-Through Fee Amount: | [Not Applicable]/[●] |
| | (ii) Number of Reference Business Days: | [●] |
| 32 | [Collateral Basket Notes: | |
| | (i) Collateral Basket Unwind Mechanics: | [Full Unwind]<br>[Partial Unwind]<br>[Partial Unwind with Shortfall] |
| | (ii) [Collateral Exhaustion Event: | [Applicable]/[Not Applicable]] (*Delete this row if "Partial Unwind with Shortfall" is not applicable*) |
| **[CREDIT LINKED PROVISIONS** | | |
| 33 | (i) CLN Type: | [Single Name CLN]/[First-to-Default Basket CLN]/[Linear Basket CLN]/[First Default Linear Basket CLN]/[Index Linked CLN]/[Other] |
| | (ii) Credit Event Settlement Method: | [Auction Redemption]/[Fixed Recovery Redemption] |
| | - Fallback Redemption Method: | [Cash Redemption]/[Other] |
| | - Fixed Recovery Percentage: | [[●] per cent.]] (*Delete this row if not applicable*) |
| | [- Index: | [*Specify Index Name*]] |
| | - Annex Date: | [*Specify Series and Version*](*Only applicable for Index Linked CLNs*) |
| | (iii) Reference Entit[y][ies][, Weighting and Reference Entity Notional Amount (*Insert Weighting and Reference Entity Notional Amount for Basket CLNs*)]: | [*Specify*][Bloomberg ticker: [●]]<br>[Name: [●]<br>Address: [●]<br>Country of Incorporation: [●]<br>Listed on the following stock exchanges/Admitted to trading on the following regulated market or equivalent third country market or SME growth market: [●]] (*Delete these items, unless Notes are listed on an EEA or UK regulated market. Repeat required for each Reference Entity unless basket has more* |

*than 5 Reference Entities.*)

- Seniority Level: [[Senior Level][Subordinated Level]] (*Insert for Single Name CLNs*)

[(*Insert below table for Basket CLNs*)

| **Reference Entity:** | **Weighting:** | **Reference Entity Notional Amount:** | **Level:** |
|---|---|---|---|
| [*Specify*] | [*Specify*] | [*Specify*] | [Senior Level] [Subordinated Level] |
| [*Specify*] | [*Specify*] | [*Specify*] | [Senior Level] [Subordinated Level] |

(*Repeat rows as necessary*)

(iv) Standard Reference Obligation[s]: [Applicable]/[Not Applicable]

(*Where Applicable, specify Reference Obligation(s) below only if the fallback to a Non-Standard Reference Obligation under paragraph (c) of the definition of "Reference Obligation" is to apply for a Reference Entity where no Standard Reference Obligation has been published on or prior to the Trade Date.*

(v) Reference Obligation[s]: [*Specify Reference Obligation(s)*] (*For CLNs where Standard Reference Obligation is Not Applicable, or is Applicable but no Standard Reference Obligation has been published on or prior to the Trade Date and the fallback to a Non-Standard Reference Obligation is required, insert the Reference Obligation for each Reference Entity*)

[- Additional Obligation[s]: [Specify Additional Obligation(s)] *(Only applicable where the "Transaction Type" is specified as "Standard Emerging European Corporate LPN" for a Reference Entity)*]

(vi) Physical Settlement Matrix Standard Terms: [Applicable]/[Not Applicable]

[Physical Settlement Matrix: [*Specify*][As per the Additional CLN Conditions]

Transaction Type: [*Specify*]]

(vii) Obligations:

- Obligation Category: [[Payment][Borrowed Money][Reference Obligation Only][Bond][Loan][Bond or Loan] (*Select one only*)] [As set out in the Physical Settlement Matrix under the Specified Transaction Type (*Include where*

*Physical Settlement Matrix Standard Terms is applicable*)]

- Obligation Characteristics: [[Not Subordinated]
  [Specified Currency] (*Specify unless the fallback in the definition of "Specified Currency" applies*)
  [Not Sovereign Lender]
  [Not Domestic Currency]
  [Not Domestic Law]
  [Listed]
  [Not Domestic Issuance]
  [None]
  [*Select all that apply*]]
  [As set out in the Physical Settlement Matrix under the Specified Transaction Type (*Include where Physical Settlement Matrix Standard Terms is applicable*)]
- Excluded Obligation: [*Specify*]/[Not Applicable]
- All Guarantees: [[Applicable]/[Not Applicable]]
  [As set out in the Physical Settlement Matrix under the Specified Transaction Type (*Include where Physical Settlement Matrix Standard Terms is applicable*)]

(viii) Deliverable Obligations:

- Deliverable Obligation Category: [[Payment][Borrowed Money][Reference Obligations Only][Bond][Loan][Bond or Loan] (Select one only)]
  [As set out in the Physical Settlement Matrix under the Specified Transaction Type (*Include where Physical Settlement Matrix Standard Terms is applicable*)]
- Deliverable Obligation Characteristics: [[Not Subordinated]
  [Specified Currency] (*Specify unless the fallback in the definition of "Specified Currency" applies*)
  [Not Sovereign Lender]
  [Not Domestic Currency]
  [Domestic Currency] (*Specify unless the fallback in the definition of "Domestic Currency" in the Additional CLN Conditions applies*)
  [Not Domestic Law]
  [Listed]
  [Not Domestic Issuance]
  [Assignable Loan]
  [Consent Required Loan]
  [Direct Loan Participation]

[Transferable]

[Maximum Maturity [of [●] years (*Specify if default is not to apply*)]]

[Accelerated or Matured]

[Not Bearer] (*Select all that apply*)

[Together with [*Specify other obligation applicable for each Reference Entity other than those determined by reference to Obligation Category and Obligation Characteristics*]]]

[As set out in the Physical Settlement Matrix under the Specified Transaction Type (*Include where Physical Settlement Matrix Standard Terms is applicable*)]

- Excluded Deliverable Obligation: [*Specify*]/[Not Applicable]

  [As set out in the Physical Settlement Matrix under the Specified Transaction Type (*Include where Physical Settlement Matrix Standard Terms is applicable*)]

(ix) Financial Reference Entity Terms: [[Applicable]/[Not Applicable]]

[As set out in the Physical Settlement Matrix under the Specified Transaction Type (*Include where Physical Settlement Matrix Standard Terms is applicable*)]

(x) Sovereign Reference Entity No Asset Package Delivery: [[Applicable]/[Not Applicable]]

[As set out in the Physical Settlement Matrix under the Specified Transaction Type (*Include where Physical Settlement Matrix Standard Terms is applicable*)]

(xi) Credit Event[(s)]: [[Bankruptcy]

[Failure to Pay

Payment Requirement: [• o*r its equivalent in the relevant Obligation Currency as of the occurrence of the relevant failure to pay*]

Grace Period Extension: [Applicable][Not Applicable]

[Grace Period: [*Specify*][As per the Additional CLN Conditions]]

[Governmental Intervention]

[Obligation Acceleration]

[Obligation Default]

[Repudiation/Moratorium]

[Restructuring

Mod R: [Applicable][Not Applicable]

Mod Mod R: [Applicable][Not Applicable]

| | | |
|---|---|---|
| | | Multiple Holder Obligation: [Applicable][Not Applicable]]<br>[*Select all that apply*]]<br>[As set out in the Physical Settlement Matrix under the Specified Transaction Type (*Include where Physical Settlement Matrix Standard Terms is applicable*)] |
| | - Default Requirement: | [*Specify*]/[As per the Additional CLN Conditions] |
| | - Notice of Publicly Available Information: | [Applicable]/[Not Applicable] [*Note that the default position under the Additional CLN Conditions is for a Notice of Publicly Available Information to apply. Specify "Not Applicable" if otherwise*]<br>Public Source(s): [*Specify*][As per the Additional CLN Conditions]<br>Specified Number: [*Specify*][As per the Additional CLN Conditions]] |
| | - Postponement Interest: | [Applicable][Not Applicable] |
| | [- Postponement Rate: | [*Specify*] (*Delete line if Postponement Interest is not applicable*)] |
| (xii) | Cash Redemption Terms: | [Applicable as Fallback Method][Not Applicable] |
| | - Valuation Obligation Valuation Date[(s)]: | [As per the Additional CLN Conditions][*Specify*]] |
| | - Valuation Time: | [*Specify*][As per the Additional CLN Conditions] |
| | - Indicative Quotation: | [Applicable][Not Applicable] |
| | - Quotation Method: | [*Specify*][As per the Master Conditions] |
| | - Quotation Dealers: | [*Specify*][As per the Master Conditions] |
| | - Accrued Interest: | [Include Accrued Interest][Exclude Accrued Interest][As per Additional CLN Condition 7(b)(ii)(c)] |
| (xiii) | Credit Liquidation Provisions: | [Applicable][Not Applicable] |
| | - Credit Liquidation Period: | [As per the Additional CLN Conditions][*Specify*] |
| | - Number of Quotations: | [As per the Additional CLN Conditions][*Specify*]] (*Delete where Credit Linked Notes are not applicable*) |

**PROVISIONS RELATING TO DISPOSAL AGENT**

| | | |
|---|---|---|
| 34 | Disposal Agent: | [Applicable]/[Not Applicable]<br>(*If not applicable, delete the remaining sub-paragraphs of this paragraph. In addition, the provisions in the Conditions relating to Disposal Agent, Liquidation, Liquidate, Liquidated, Liquidating, Liquidation Commencement Notice, Liquidation Default, Liquidation Event and/or* |

| | | | |
|---|---|---|---|
| | | | *Relevant Payment Date, including, without limitation, Master Conditions 5(d) (Disposal Agent's right following Liquidation Event), 11*(c) *(Disposal Agent appointment, termination and replacement)), 13 (Liquidation) and 15(a) (Application of Available Proceeds or Affected Class Collateral Proceeds of Liquidation) shall not apply hereto*) |
| | (i) | Disposal Agent: | [Credit Suisse International]/[*Specify name and address*] |
| | (ii) | Liquidation: | As per Master Conditions |
| | | – Liquidation Parameters: | [Not Applicable]/[Applicable, as per Master Conditions]/[*Specify if other*] |
| | (iii) | Quotation Dealers: | [As per (*specify if specific Quotation Dealers should be used*) Master Condition 1] [*Specify if other values*] |
| | (iv) | Disposal Agent Fee: | [Yes]/[No]<br>(*If yes, specify fee*) |
| **GENERAL PROVISIONS APPLICABLE TO THE NOTES** | | | |
| 35 | Form of Notes: | | |
| | (i) | Bearer or Registered: | [**Bearer Notes**:<br>Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note]<br>[Temporary Global Note exchangeable for Definitive Notes on [●] days' notice]<br>[Permanent Global Note exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note]<br>[**Registered Notes**:<br>[Certificate other than Global Certificate]<br>[Global Certificate registered in the name of a nominee for [a common depository for Euroclear and Clearstream, Luxembourg / a common safekeeper for Euroclear and Clearstream, Luxembourg] exchangeable for Certificates in the limited circumstances specified in the Global Certificate]] |
| | (ii) | The Issuer intends to permit indirect interests in the Notes to be held through the CREST Depositary Interests to be issued through the CREST Depositary: | [Applicable]/[Not Applicable] |
| 36 | Applicable TEFRA exemption: | | [TEFRA C]/[TEFRA D]/[TEFRA Not Applicable] |

| | | |
|---|---|---|
| | | (*When dealing with Bearer Notes, TEFRA C should apply unless instructed otherwise.*) |
| 37 | New Global Note: | [Yes]/[No] |
| 38 | Financial Centre(s): | [Not Applicable]/[[●]] |
| 39 | Reference Business Day: | [TARGET]/[TARGET Settlement Day]/[place(s)] |
| 40 | Reference Business Day Convention: | [Floating Rate Business Day Convention]/[Following Business Day Convention]/[Modified Following Business Day Convention]/[Preceding Business Day Convention] |
| 41 | Agents: | |
| | (i) Calculation Agent: | [*Insert name and Specified Office of institution*] |
| | (ii) Custodian: | [*Insert name and Specified Office of institution*] |
| | (iii) Disposal Agent: | See paragraph [33(i)] above |
| | (iv) Issuing and Paying Agent: | [*Insert name and Specified Office of institution*] |
| | (v) Additional Paying Agent(s): | [*Insert name and Specified Office of institution*] |
| | (vi) Registrar: | [*Insert name and Specified Office of institution*] |
| | (vii) Transfer Agent(s): | [*Insert name and Specified Office of institution*] |
| 42 | Ratings Downgrade: | [Applicable][Not Applicable] |
| | (i) Required Ratings for Standard and Poor's: | [As per Master Conditions]/[*Specify if other*] |
| | (ii) Required Ratings for Moody's: | [As per Master Conditions]/[*Specify if other*] |
| 43 | Section 871(m):<br>(*CS Legal should be consulted where applicable*) | [The Issuer has determined that the Notes (without regard to any other transactions) should not be treated as transactions that are subject to U.S. withholding tax under Section 871(m)]/[The Issuer has determined that the Notes should be treated as transactions that are subject to U.S. withholding tax under Section 871(m)] |
| 44 | Prohibition of Sales to EEA and UK Retail Investors: | [Applicable]/[Not Applicable [from [●] until [●]]]<br>*((i) "Applicable" should be specified in all circumstances unless instructed otherwise, including where (a) the Notes may or clearly do constitute "packaged" products and (b) a KID will not be prepared;*<br>*(ii) subject to (i) above, "Not Applicable" should only be specified where (a) the Notes clearly do not constitute "packaged" products or (b) the Notes may or clearly do constitute "packaged" products and a KID will be prepared.)* |

| **DISTRIBUTION** | | | |
|---|---|---|---|
| 45 | (i) | If syndicated, names of Managers: | [Not Applicable]/[*Specify name(s)*] |
| | (ii) | Stabilising Manager(s) (if any): | Not Applicable |
| 46 | | If non-syndicated, name of Dealer: | [Not Applicable]/[*Specify name*] |

**PART B – OTHER INFORMATION**

| | | |
|---|---|---|
| 1 | **LISTING:** | |
| | Listing and admission to trading: | [Application has been made to Euronext Dublin for the Notes to be admitted to the Official List of Euronext Dublin and to trading on [the Global Exchange Market]/[the Regulated Market.]] / [Application has been made to [●] (*specific other market*) for the Notes to be admitted to the official list and trading on [●] (*specific other market*)].<br>(*Where documenting a fungible issue, indicate that original Notes are already admitted to trading*.) |
| | Estimate of total expenses related to admission to trading: | [●] |
| 2 | [**INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER**:] | |
| | [*Include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement*:<br>"Save as discussed in ["*Subscription and Sale*"], so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer."]<br>(*If no conflicts have been disclosed, delete entire Section 2. If conflicts have been discussed, reference should be to the section of the relevant document where such conflicts were disclosed*.) | |
| 3 | [**REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES**:] | |
| | (i) [Reasons for the offer: | [●]<br>(*See "Use of Proceeds" wording in Base Prospectus – if reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here*.)] |
| | (ii) [Estimated net proceeds: | [●]] |
| | (iii) [Estimated total expenses: | [●]] |
| 4 | [**Fixed Rate Notes only – YIELD** | |
| | Indication of yield: | [●]<br>The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.] |
| 5 | **OPERATIONAL INFORMATION** | |
| | ISIN Code: | [●] |
| | Common Code: | [●] |
| | Swiss Security Number: | [●] |
| | [WKN: | [●]] |
| | Clearing system(s) and any relevant identification number(s): | [Euroclear Bank SA/NV and Clearstream Banking, S.A.] |

| | |
|---|---|
| | [CREST] |
| | [*Specify name(s) and number(s)* [*and address(es)*]] |
| Delivery: | Delivery [against]/[free of] payment |
| [Intended to be held in a manner which would allow Eurosystem eligibility: | [Yes]/[No]<br>[Note that the designation "yes" means simply that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper, and, in the case of Registered Notes, registered in the name of a nominee of one of the ICSDs acting as common safekeeper, and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the European Central Bank being satisfied that Eurosystem eligibility criteria have been met.] (*Include this text if "yes" selected, in which case Bearer Notes must be issued in NGN form*)]<br>[Whilst the designation is specified as "no" at the date of these Issue Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper [(and registered in the name of a nominee of one of the ICSDs acting as common safekeeper)](*include this text for registered notes*). Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.] (*Include this text if "no" is selected*)] |

## SCHEDULE 1 TO THE ISSUE TERMS – CREDIT SUPPORT ANNEX

*This Schedule highlights selected elections made in the Credit Support Annex forming part of the Swap Agreement. It is not intended to be a substitute for, nor a summary of, the detailed provisions of the Credit Support Annex that are available for inspection at the registered office of the Issuer and at the Specified Office of the Issuing and Paying Agent.*

[Under the terms of the Credit Support Annex, a [●] valuation will be performed by the Swap Counterparty (in its capacity as Valuation Agent) as to the Exposure (as defined in the Credit Support Annex) under the Swap Agreement, whereupon (subject to certain thresholds being met, as set out below) a party may be required to transfer Eligible Credit Support (as defined in the Credit Support Annex) to the other party as credit support in order to collateralise any such Exposure. Such Eligible Credit Support may, at the option of the Swap Counterparty where it is required to transfer the same to the Issuer, comprise [●].

The Valuation Percentage (as defined in the Credit Support Annex) for [Eligible Credit Support transferred as credit support is [●] per cent.]. This means that the minimum value of Eligible Credit Support required to be transferred by the Swap Counterparty to the Issuer will be [greater][less] than the corresponding Exposure of the Issuer (at around [●] per cent.).

The amount of credit support required to be transferred by the Transferor (as defined in the Credit Support Annex) under the Credit Support Annex in respect of a Valuation Date (as defined in the Credit Support Annex) will depend on the Transferee's Exposure to the Transferor under the Swap Agreement and the value of any existing Credit Support Balance (as defined in the Credit Support Annex) held by the Transferee, as determined by the Swap Counterparty (in its capacity as Valuation Agent) in accordance with the terms of the Credit Support Annex.

All valuations will be by reference to the Base Currency under the Credit Support Annex, being [●].

To the extent that the value of any existing Credit Support Balance held by a party exceeds that party's Exposure to the other party, then such party may be obliged to return any excess credit support to the other party in accordance with the terms of the Credit Support Annex.]

(*Amend as necessary or delete this Schedule 1 to the Issue Terms if Credit Support Annex is Not Applicable*)

**Registered Office of the Issuer**

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Dublin 2
Ireland

**Trustee**

**Citicorp Trustee Company Limited**
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London E14 5LB
United Kingdom

**Issuing and Paying Agent, Transfer Agent and Custodian**

**Citibank, N.A., acting through its London Branch**
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Canada Square Canary Wharf
London E14 5LB
United Kingdom

**Registrar**

**Citigroup Global Markets Europe AG**
Reuterweg 16 60323 Frankfurt
Germany

**Arranger, Dealer, Disposal Agent and Calculation Agent**

**Credit Suisse International**
One Cabot Square
London E14 4QJ
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**Listing Agent**

*In case of Notes admitted to the Official List*

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